P.A.C. No. 700

PUBLIC ACCOUNTS COMMITTEE 1978-79

(SIXTH LOK SABHA)

HUNDRED AND THIRTY-FOURTH REPORT

INDIAN COUNCIL OF AGRICULTURAL RESEARCH

MINISTRY OF AGRICULTURE AND IRRIGATION

(Department of Agricultural Research and Education)

[Audit Reports on the Accounts of the Indian Council of Agricultural Research for the years 1973-74, 1974-75 and 1975-76]

k Sabha on 30 April, 1979
Laid in Rajya Sabha on 30 April, 1979

LOK SABHA SECRETARIAT
NEW DELHI

April, 1979/Vaisakha 1901(S)

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PUBLIC ACCOUNTS COMMITTEE (SIXTH LOK SABHA)

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5-1-1979 (FN)
5-1-1979 (AN)
25-4-1979 (AN)

*Not printed (One cyclostyled copy laid on the Table of the House and five copies placed in Parliament Library).

PUBLIC ACCOUNTS COMMITTEE

(1978-79)

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INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Hundred and Thirty-fourth Report of the Public Accounts Committee (Sixth Lok Sabha) on Audit Reports on the Accounts of the Indian Council of Agricultural Research for the years 1973-74, 1974-75 and 1975-76.

2. The Audit Reports on the Accounts of the Indian Council of Agricultural Research for the years 1973-74, 1974-75 and 1975-76 were laid on the Table of the House on 24 May, 1976, 25 July, 1978 and 18 December, 1978 respectively. At their sittings held on 5 January, 1979 (FN) and (AN), the Public Accounts Committee (1978-79) examined selected aspects of the Audit Reports on the Indian Council of Agricultural Research namely Activities of the Council, Receipts and Expenditure, Outstanding Advances and Recoveries, Outstanding Utilisation Certificates, Losses and Defalcation and Journals. The Public Accounts Committee (1978-79) considered and finalised this Report at their sitting held on 25 April, 1979. The Minutes of the sittings form part II* of the Report.

3. A statement containing conclusions/recommendations of the Committee is appended to this Report (Appendix II). For facility of reference these have been printed in thick type in the body of the Report.

4. The Committee place on record their appreciation of the assistance rendered to them in the examination of Audit paragraphs by the Comptroller & Auditor General of India.

5. The Committee would also like to express their thanks to the officers of the Ministry of Agriculture and Irrigation (Department of Agricultural Research and Education) and Indian Council of Agricultural Research for the cooperation extended by them in giving information to the Committee.

P. V. NARASIMHA RAO,
Chairman,
Public Accounts Committee.

NEW DELHI;
April 25, 1979.
Vaisakha 5, 1901 (S).

*Not printed. (One cyclostyled copy laid on the Table of the House and five copies placed in the Parliament Library).

CHAPTER I

INTRODUCTORY

1.1. The Indian Council of Agricultural Research was set up on 16th July, 1929, as a Registered Society under the Societies Registration Act, 1860, to undertake, aid, promote and co-ordinate research and education in the field of agriculture, animal husbandry and to serve as a clearing house of information relating to these activities.

1 2. The Council is the apex organisation for all agricultural and animal husbandry research and education in the country. There are 31 research institutions dealing with the various aspects of research and in some cases of education. To intensify research on multi-location-cum-inter disciplinary basis with the co-operation of Central and State research organisation, a number of All-India Co-ordinated Research Projects have been started. In addition, a number of agricultural universities which have functional linkages with the Council have also come into existence in the various States of the country. Most of the States have transferred the responsibility for agricultural education and research to these universities.

Organisational Set-up

1.3. As already stated, Indian Council of Agricultural Research is a Registered Society. The President of the Society is the Minister of Agriculture and Irrigation. The Society with a membership of 125 meets once a year and lays down the policy guidelines to be followed by the Council to discharge its obligations. The Governing Body with a membership of 22, chaired by the Director General, is the principal executive body and meets 5 to 6 times in a year. The recommendations of the Governing Body become operational only when they are approved by the President of the ICAR, *i.e.*, Minister for Agriculture and Irrigation. Thus the Governing Body is the main recommending body to the President of the Society. The Standing Finance Committee is a sub-committee of the Governing Body which scrutinises all the financial matters of the Council and reports to the Governing Body. The norms and accreditation Committee advises the Council on all educational standards, institution of fellowships and scholarship, assessment of financial needs of the Universities and so on. The Regional Committees help to keep the Council informed about the regional needs to foster the growth of science and educational potential. Scientific Panels examine the short and long term research plans, identify critical gaps and fix priorities,

scrutinise short-term research schemes which come up for ICAR support and review the progress of research and educational programmes, etc.

1.4. The Director General is assisted by four Deputy Directors General who act as Chiefs of the respective subject matter divisions at the headquarters and are in turn assisted by a set of Assistant Directors General. Secretary with the help of Director (Personnel), Director (Finance), Director (AR), Director (Works), O.S.D. (Estates) and two Additional Secretaries assist the Director General in his discharge of executive functions.

1.5. There are a total of 31 institutes, 1 Central Staff College, 5 Project Directorates and 49 All India Coordinated Projects, directly administered by the ICAR. Each Institute has a varying number of Scientists headed by a Director who is assisted in the management of the Institute, both technically and administratively, by a Management Committee, Staff Research Council and a varying number of supporting staff. The Project Directorates have no such centralised location for their research as in the case of the Institutes. But they have their work spread all over the area where the crop|commodity| problem that these Directorates are concerned with, is important. These projects are headed by Project Directors. The All India Coordinated Projects have their centres located in the ICAR Institutes, Agricultural Universities, public, quasi-public and private institutions and the work of these centres is being coordinated by a Project Coordinator.

1.6. The Indian Agricultural Research Institute is recognised as a deemed University because of its educational functions at post-graduate level. Similarly, Indian Veterinary Research Institute, National Dairy Research Institute and Indian Agricultural Statistics Research Institute are also engaged in educational activity besides research. In the system, adequate safeguards are stated to have been built-in to maintain operational and managerial freedom and flexibility.

1.7. The Central Staff College of Agriculture is an institution engaged in orienting the personnel to the rhythm and style of working of scientific and other science-based developmental programmes in agriculture. The National Demonstration Programmes, Operational Research Projects and Krishi Vigyan Kendras are the instruments of transfer technology. Each Institute has a Grievance Cell to redress and settle the personnel problems.

1.8. The Indian Council of Agricultural Research is, thus, a unique organisation since unlike its sister organisations in the country like Council of Scientific and Industrial Research, Indian Council of Medical Research, Atomic Energy Commission, etc., it combines concurrent responsibility for research, education and extension education.

Personnel Policy

1.9. The main features of the personnel management and career advancement system introduced by the ICAR are stated as follows:

> "An independent Agricultural Scientists Recruitment Board has been established, making it responsible for the recruitment of the scientists. An Agricultural Research Service has been created for which the bulk recruitment would be firstly through induction of the existing personnel through proper screening and secondly through competitive examination at an All India level. The service can also have a certain percentage of lateral entries at higher levels. This has been provided for in order to balance the requisite scientific competence at various levels of the Service. The career advancement is regulated by five yearly assessment in person-oriented rather than post-oriented as in the past. By eliminating the necessity of recurrent application, the system permits scope for every scientist to specialise in his/her fields of specialisation. While it provides ample scope for mobility within the system, it does not detract a scientist from his/her original path of pursuit. In other words, the scientist could reach the highest scale of service while remaining in the post to which he/she was appointed at the initial induction phase. This measure lends itself to the growth of specialisation, which is an asset to any scientific organisation. The managerial posts such as Heads of Divisions, Project Coordinators, Directors of the Institutes, Assistant Directors General and Deputy Directors General and so on are tenurial: their term of a tenure is five years and no one is eligible to continue in the same post for more than two terms. A person after his tenure could be posted anywhere. The system, however, provides for the privilege of retaining the emoluments he was entitled to in his previous post. Through five yearly assessment system there is a built-in mechanism for merit promotions and quick rise up in the service ladder. The total strength of the scientific cadre at present is around *5456 but it is flexible."

*Not Veted by Audit.

Financial Structure.

1.10. The Council gets a grant from the Government of India both under Plan and non-Plan. In addition, Agricultural Produce cess collected from all exportable agricultural commodities is passed on to the Council. Funds have also been allocated for agricultural research from PL-480 sources as well as from the special fund set apart by the Government of India for aiding research in critical areas of economic growth. Funds are also received from the International Bodies such as UNDP, IRDC, SIDA, DANIDA and so on. Sometimes funds are also obtained from the Ministries, Departments of Government of India, Statutory Boards and Corporations, Public Sector Undertakings etc. towards the sponsored research.

CHAPTER II

ACTIVITIES OF THE COUNCIL

2.1. The Indian Council of Agricultural Research is an apex co-ordinating agency at the National level for research on agriculture, animal husbandry and fisheries. Research is organised under three Institutional mechanisms:

(a) Agricultural Universities at the State level,

(b) ICAR Research Institutes at the national level, and

(c) All India Coordinated Research Projects.

In addition, research is being organised through *ad-hoc* research schemes of short term nature with limited objectives.

(a) *Agricultural Universities*

2.2. There are a total of 21 Agricultural Universities established in various States at an average of one per State except in Jammu and Kashmir where there is none and three and four respectively in Uttar Pradesh and Maharashtra. These Universities are multi-faculty, multi-disciplinary and multi-locational in their character and responsible for entire research in the State in the field of agriculture, animal husbandry and fisheries. They organise research on both fundamental and applied research concerning the field of agriculture in the broad sense. Many Universities have their campuses or research stations or sub-stations located in different regions of the State or region over which they have their functional jurisdiction. Research work in these stations is mostly confined to the problems of the State or the region as the case may be and it is being coordinated by the concerned Agricultural University.

(b) *ICAR Institutes*

2.3. There are a total of 31 research institutes located in different parts of the country to organise research at the national level on various crops, commodities, animal species, disciplines, systems of farming, etc. Some of these Institutions have certain Regional or sub-stations located in different parts of the country. They are directly administered and technically supervised by the Indian Council of Agricultural Research.

2.4. They are predominantly concerned with the research which is fundamental or basic to agriculture whose significance or importance transgresses the geographical boundaries of the States. Sometimes they do undertake reasearch also on such applied aspects as are of interest to more than one State or the region.

(c) *All India Coordinated Projects*

2.5. There are a set of 54 All India Coordinated Projects representing various crops, commodities, animal sciences, disciplines and systems of farmings. They are multi-disciplinary and multi-locational in character. The Research Centres under these projects are located in the ICAR Institutes, Agricultural Universities and other public and quasi-public institutions. They are mainly concerned with the applied research of practical importance. They derive the basic experimental material and the technology from the Indian Council of Agricultural Research Institutes and Agricultural Universities and other Universities or institutions and arrange for their field testing or fielding evaluation in different regions with varying agro-ecological conditions. Thus, a given experimental material and/or the production technology has an opportunity of getting simultaneously tested over a wide range of agro-ecological conditions and the results emanating from such experiments under the All India Coordinated Projects lead to faster progress of research. The All India Coordinated Projects are technically administered by the Indian Council of Agricultural Research and also financially supported to the extent of 75 per cent, whereas the Agricultural Universities and the other participating institutions have the administrative control over the coordinated project research centres located under their jurisdiction and also bear the expenditure to the extent of 25 per cent. However, the technical coordination of the project work is being done by the ICAR through a Project Coordinator.

2.6. In justification of setting up these coordinated projects, it is stated that the research in the field of agriculture, animal husbandry and fisheries has been going on in this country in several institutions. Moreover, research on the same crop or commodity or animal species is going on simultenously under the aegis of several institutions. Unless there is a common agency to coordinate this research, it is rather difficult to avoid wasteful duplication of research and consequent increase in research costs and the time lag involved in realeasing the beneficial research results. It was in this context that the concept of Coordinated Research Project for the improvement of maize was initiated in 1957 and it has now grown to a level of involving many aspects of agriculture, animal husbandry and fisheries through a currently operated 54 All India Coordinated Research Projects. The essence of this concept is the organised co-

operation between the research institutes concerned (Agricultural Universities, ICAR Institutes, General Universities and other scientific institutions and organisations) and working through the mechanism of interdisciplinary multi-location research in an integrated manner. It is stated that the advantage of this corporate approach to research problems are that it saves time avoids wasteful duplication of research, mini-mises costs, optimises the benefits from the available manpower and the scientific infra-structural facilities available in the country.

(d) *Ad-Hoc Research*

2.7. These are the projects of short term nature with a limited objective to solve such problems as are of critical nature, solution to which is rather urgent and necessary to overcome the production or processing constraints. By their very nature they are time targetted and selfeliminating type. Several such projects are sanctioned by the Council under the support from the cess fund, PL 480 funds, Govt. of India Research funds and other funding sources such as IDRC, SIDA, DANIDA, etc. They are sponsored by the Institutions, or Universities or the individual scientists and are located in ICAR Institutes, Agricultural Universities and other Universities, public and quasi-public and some private institutions. Enormous data are being generated by these small projects operating from several locations in the country on a variety of subjects and disciplines. To have the benefit of these results for the production oriented programmes, these projects have been made responsible to the concerned Coordinated Project(s) so that their research results are appropriately dove-tailed into the main research programmes concerned with the subject matters of the respective *ad hoc* research projects.

2.8. The total number of *ad hoc* schemes sanctioned, continued, terminated/discontinued and abandoned during the years 1973-74 to 1977-78:

Year	Number of schemes sanctioned	Number of schemes continued	Number of Scehemes Terminated/discontinued	Abandoned schdmes
1973-74	82	158	12	13
1974-75	55	226	14	3
1975-76	72	247	22	2
1976-77	36	283	50	8
1977-78	103	338	73	..

2.9. From the statement regarding the *ad hoc* Schemes in operation from 1973-74 to 1977-78, it is observed that out of a total of 254 Schemes, as many as 68 were for a period of 5 years or more.

(e) *Krishi Vigyan Kendra*

2.10. The Ministry have furnished the following information in regard to the Krishi Vigyan Kendras:

"(1) The scheme on Krishi Vigyan Kendra was implemented during Vth Plan. Between June, 1976 and March, 1978, all the 19 Krishi Vigyan Kendras sanctioned under the Vth Plan were established. Thus, the Krishi Vigyan Kendras have completed only a period of about two years.

(2) Since the skill training in the Krishi Vigyan Kendras has to be imparted by the method of work-experience based on the principle of learning by doing, each Krishi Vigyan Kendra has devoted sufficient time in developing basic training facilities, like, development of farms and demonstration units such as agricultural workshop, poultry unit, fish ponds, goatery etc. Efforts have been made for recruiting suitable staff for the Krishi Vigyan Kendras during this period.

(3) Training programmes for the farmers as well as the development staff were also undertaken during the period as under:—

(a) Upto the end of March, 1978, 323 on-campus and 405 off-campus training courses were organised in which 8845 and 14884 trainees respectively were imparted training in various skills in agriculture and allied areas.

(b) During the year 1978-79, 432 training courses of varying durations were conducted by the Krishi Vigyan Kendras involving 7220 farmers, farm women and fishermen.

(4) All India Workshops on Krishi Vigyan Kendras were organised in 1977 and 1978.

(5) Two bulletins—one in English and another in Hindi were prepared and published for the use and benefit of Krishi Vigyan Kendras."

List of Krishi Vigyan Kendras so far established is at Appendix I.

Notes mentioned in the pages onwards have not been vetted by Audit.

Scientific Panels

2.11. The Committee desired to know how research schemes were originated and processed. The Secretary, Ministry of Agriculture and Irrigation (Department of Agricultural Research and Education) stated, during evidence:

> "First, we have the Scientific Panels. They would recommend the scheme. Sometimes they will modify it or sometime they will say that a particular project is not suitable. These recommendations formerly used to go to the Standing Committees. After the Standing Committees, it used to go to the Standing Finance Committee and to the Governing Body. In the reorganised set up, we have eliminated one stage. Now, it goes directly to the Scientific Panels, the Standing Finance Committee and to the Governing Body. There is no intermediary body. Now, the scheme goes from the individual research Director or a University to the Scientific Panels."

2.12. At the instance of the Committee, the Ministry of Agriculture and Irrigation have furnished the following note indicating the functioning of the Scientific Penels:

> "In accordance with the Rule No. 57 of the Rules of the ICAR Society, the Governing Body constitutes a number of scientific panels for various disciplines, as also interdisciplinary panels for the purpose of:
>
> (1) considering research schemes and projects;
>
> (2) advising the Governing Body on technical matters; and
>
> (3) drawing attention to gaps in the current research and training efforts.
>
> In accordance with this provision. there are a total number of 17 Scientific Panels functioning at present. They represent various subjects and disciplines; and some are interdisciplinary in their functional nature.
>
> The Scientific Panels are composed of specialists/experts of the concerned subjects, both official and non-official, in the agricultural, animal, fisheries and allied sciences, appointed by name only, and are drawn from all over the country. An eminent scientist in the concerned field would be the Chairman of the Panel.
>
> The tenure of the Scientific Panels is normally for a period of three years. The functions of the Scientific Panels are as follows:

(a) To review periodically the research work carried out in the country and in the Indian protectorates, each in their respective disciplines.

(b) To suggest measures for the consideration of research activities so as to avoid duplication of efforts and to ensure the maximum utilization of available resources.

(c) To make recommendations for improving the conduct of research pertaining to production, grading, preservation, transportation, marketing and utilization of agricultural produce and animal products.

(d) To examine and assess from scientific/technical angle the research schemes that are being financed by the Council out of the Council's Cess Funds.

(e) To examine and assess the technical programmes of work, progress of research under the Cess Fund projects through the scrutiny of annual and final progress reports and to give their comments and recommendations.

(f) To suggest coordinated programmes of research in their respective disciplines and the institutions or centres where it may be taken up.

(g) To fix priorities for research and make suitable recommendations.

(h) To suggest ways and means for improving the work under the schemes/projects of research pertaining to their respective disciplines.

(i) To advice the Council on the necessity of undertaking research on new problems or intensification of efforts in the ongoing research and the type of research results to be released for pilot testing or to be passed on to extension agencies for adoption by the farmers. industries and trade.

(j) To advice the closure of the schemes which are not functioning satisfactorily or have reached a stage where no further work is necessary.

These panels meet as often as may be considered necessary depending upon the nature and quantum of work at such places as are convenient to hold their meetings.

The procedure to process, sanction and monitor the Progress of research of the Cess fund research schemes has been clearly laid down in the form of guidelines. According to these guidelines, the research schemes received from various Institutions/Universities/Laboratories/Individual scientists are first referred to the Research Project File Unit of the Council to verify whether such research has ever been undertaken by anybody or sanctioned by the Council before and, if so, what stage it is in, whether ongoing or concluded, if concluded, what have been the types of results etc. If such a work has already been taken up, either ongoing or concluded, then the scheme under reference, unless otherwise it has a new element which was not covered by the similar project going on, will not be considered further. Otherwise, after determining scientific and technological relevance of the scheme by the technical wing of the Council, it would be referred to two experts in the field for the purpose of referring. One of the referees may be a member of the Scientific Panel itself. After obtaining the comments of the referees, a note is prepared in a prescribed proforma with all the relevant details including the comments of the referees and placed before the concerned Scientific Panels. Sometimes, the Schemes coming up for consideration are multi-disciplinary and under such circumstances, the schemes are simultaneously referred to more than one concerned Scientific Panel.

The Scientific Panels invariably meet twice a year, normally in May-June and November-December, but it depends upon the convenience of the Chairman and the majority of the Panel members. While sending the agenda papers, the schemes are specifically assigned to different members of the Panel, who would make a thorough study into various aspects of the project such as the objectives of the project, duration, staff and other inputs asked for, technical programme and the practical feasibility of the project, that is he presents a detailed report of his comments on the scheme to the Scientific Panel. The Panel then discusses various aspects of the scheme in the light of the referees' as well as the Scientific Panel members' comments. Finally they make a recommendation either for sanctioning it or for rejecting it with sufficient justification in favour of their recommendations. The Panels, while recommend-

ing the schemes for sanction, give their opinion as to the objectives, technical programme, staff and other inputs, etc. in case if they differ from what has been stated or provided for in the scheme. Schemes, which are not recommended for sanction, would have two categories:

(1) Those which need revision of objectives, technical programme or reformulation of the scheme etc. They are referred with an advice to resubmit after revising in the light of the advice provided by the Scientific Panel.

(2) Those which do not come upto the expected standard, the principal Investigator or the Co-Principal Investigator is not sufficiently competent enough to carry on the work of the type provided in the scheme, the sponsoring institution does not have the requisite facilities to carry on such work and the proposed work of the scheme does not fall within the purview of the relevant or priority areas, such schemes, are rejected.

After the proceedings of the Scientific Panels are approved by the Chairman, the recommended schemes are processed for sanction through Standing Finance Committee and the Government Body. Those which are rejected or to be referred to the Principal Investigator or the sponsoring institution for revision etc., these are sent back with the recommendations of the Scientific Panel.

Annual Progress Reports of these schemes are also discussed in the Scientific Panels and the progress is reviewed. If a project or projects in the opinion of the Scientific Panel are not working satisfactorily, then the Scientific Panel suggests the ways and means of improving the functioning. If it finds that the work has not progressed as expected even after their advice, then the Scientific Panel constitutes a sub-committee of the panel and deputes one or two members of the panel or some outside expert, who is well-versed in the subject of the scheme under reference to visit the centre and render on the spot advice to the scientists to correct the deficiencies in order to promote the work of the scheme as expected. If the work of the scheme does not progress even then, the Scientific Panel recommends to the Council termination of it on the grounds of its not functioning satisfactorily."

2.13. The number of scientific panels and the number of meetings held by them during 1974-75 and 1975-76 was as follows:

Year	No. of scientific panels	No. of sittings held
1974-75	22	18
1975-76	17	29

2.14. Referring to the meagre number of meetings held by the scientific panels, the Committee enquired as to how the panels were able to discharge their function without meeting oftener. The Secretary of the Department of Agricultural Research and Education stated, during evidence:

> "The panel meets when there is an agenda. If there is enough agenda, then they may meet. They consider new schemes. They consider progress reports received from various projects and so on and also the terminal reports, because when a scheme is wound up, then a final report before the Panel comes. We sometimes refer to them the important issues for discussion. We refer to them and ask for their advice what additional work can be done. In the whole of the Sixth Plan proposals of the ICAR, there were many suggestions that came from various panels members, because we requested them to tell what were the major gaps. Usually, they meet for about two days. But if the Chairman of the panel feels there is more work to be done, they can ask for another meeting. It depends upon the work-load of the panel. The panel develops its own procedure of working. Suppose they find that one work is very interesting and in another, the progress is unsatisfactory. They may nominate one or two panel members or somebody from outside the Panel who may be an expert in the field to visit that centre concerned and see what kind of work is in progress and give them a report. Quite frequently, they work through the machanism of a small group to examine the problems. But this is left to the panel members to work out their own procedure."

Association of farmers in the research work

2.15. The Committee enquired whether any research was being done on the problems faced by the farmers in the fields and whether the farmers were associated in the research work. The Secretary of

the Ministry of Agriculture and Irrigation (Department of Agricultural Research and Education) replied:

"You raised an important issue in terms of linkages, research and development. Now, we operate by several mechanisms in strengthning these linkages. As far as working directly in farms and in the fields is concerned, we contact the farmers along the following lines. One line is called 'on-farm' testing which is done in the fields.

We have been urging our Universities which are responsible for research to do as much as possible on-farm testing. Secondly, we have a national demonstration programme in which demonstrations are on a system approach. Those demonstrations are again used, more or less, as training grounds. Farmers are brought there. Thirdly, we have whole village or watershed operational research projects which are taken up in the entire village and we try to improve the system of farming in the whole village. Fourthly, in dry farming areas we have linked up our research centres with the pilot projects. The scientists and the extension workers of the department concerned work together in that particular area. There are a number of projects all over the country according to the type of the soil.

Then, there is the very important question of training. Training is of three kinds. One is the training of senior level extension staff of the Departments of Agriculture, Animal Husbandry and Fisheries. Then, we have the roving teams of the universities in many cases. For the last two years, we have been operating a scheme called the development of a cadre of soil health care workers. These are rural youths who are selected on the basis of their likelihood of remaining in the village. They have a vested interest in the village. They are given training about the entire concept of soil health, soil fertility etc. and then they are given a soil testing kit."

2.16. In reply to a question, the witness said:

"Then, we have Krishi Vigyan Kendras. These are being established since the last Plan period. We have established several of them all over the country. These Kendras are based on the concept of learning by doing and the teachers are being trained in trainers' training institutes. We have several trainers' training institutes. We have

one at the National Dairy Research Institute, Karnal. We have one rural aqua-centre at Dholi. Then, we have one institute for dry farming at Hayatnagar. The initial response and the success of this programme has been so good that there is a considerable demand for more centres."

2.17. The Committee desired that a note might be furnished indicating how the problems in the fields were identified for taking up research and development work and how their *inter-se* priorities were determined. The Ministry have furnished the following note in this regard:

"The Indian Council of Agricultural Research is responsible for promotion and coordination of agricultural research and higher education. These functions are carried out mainly through Central Research Institutes/Agricultural Universities/Krishi Vigyan Kendras and programmes, such as, All India Coordinated Research Projects, National Demonstrations, Operational Research Projects, Minikit Trials, etc. Each of these institutions and projects have a component of extension training to ensure speedy transfer of new technology generated through research.

In the interest of transfer of technology, the Indian Council of Agricultural Research ensures adequate inter-action at each level and each Institution with extension workers and farmers. To begin with, farming and rural interests are represented in the highest body of the Council—the Governing body. Each Indian Council of Agricultural Research Institute, likewise, has farmers' representation on its management committees. The Institute has Extension Wing to carry out on-farm testing and training of farmers and to organise extension education programmes and activities in the neighbouring areas. This also results in a regular feed-back of newly emerging farm problems. General seminars, workshops and conferences between the Indian Council of Agricultural Research Institutes/ Agricultural Universities are other effective devices to get feed-back to the farm problems. In addition, at the level of the Ministry of Agriculture and Irrigation, there is a Research and Coordination Committee to maintain close link between research workers and extension agencies.

At the regional level, the Council has established 8 Regional Committees with a view to analyse, discuss in

depth and make recommendations on location-specific problems of agriculture, animal husbandry, fisheries and forestry in addition to take stock of status of agricultural research and education in the region.

Information media, such as, Radio, Television, Newspaper and other publications also provide necessary information with respect to problems of the farmers. Farm Journalists Workshops are being organised in conjunction with Regional Committee meeting. A National Convention of Farm Journalists was also convened during 1977. Field Days and Kisan Melas, being regularly organised by the Institutes and Research Centres of the Council and Agricultural Universities, both in *rabi* and *kharif* seasons, have been very useful feed-back of the farmers' problems. During these Melas, Farmers and Scientists discussions are organised where farmers put forward their problems and doubts to the Scientists with respect to the agricultural technology. This helps farmers to come in the direct contacts of the scientists and the scientists in turn receive valuable feed-back information which helps them in the planning of their research programmes. The question posed by the farmers to the agricultural scientists during Krishi Melas (Farmers' fair) organised during the last 10 years at Indian Agricultural Research Institute along with replies given by the agricultural scientists can be given an example of feed-back of the farmers problems to the scientists.

In some of the projects the Council has posted their scientists directly at the district level for 'on farm testing' and demonstration of agricultural technology. For example, national demonstrations project, operational research projects, experiments on cultivators' fields, etc., are the examples where hundreds of research scientists are directly in touch with the farmers and farm problems. This helps in establishment of better linkages between research wings of agricultural universities and the development wings of State Departments of Agriculture, Animal Husbandry, Fisheries for speedy transfer of technology and feed back of their problem.

Important location specific problems are also brought to the attention of Scientific institutions by Hon'ble Members of Parliament and Hon'ble Members of the State Legislatures.

A few examples of the problems identified for taking up research and the research programmes initiated on them and the utilisation of the research results thus obtained are enclosed (not printed).

As regards the fixation of *inter-se* priorities for undertaking research, the scientific panels in their meetings which are held regularly consider new research projects to be undertaken at important research centres of the country under the following heads:

(a) New problems on which research work should be under taken with suggestions for tackling them;

(b) Results of researches of proved economic value that may be passed on to extension workers;

(c) Probelms on which research work is already in progress but requires intensification and the measures that may be adopted for the purpose; and

(d) Results of various researches which may be tested under actual farming conditions through pilot projects for their utilisation in current practices and areas in which the pilot projects there from may be undertaken.

Considering the importance of the research proposals received and examined, the scientific panels fix *inter-se* priority giving special emphasis keeping in view the importance of the project in relation to national economy, increase in agricultural production, improvement in the productivity of livestock and fisheries, with highest priority as "A" and lowest priority as "C" being given to the items of research which could be taken up later on depending upon the availability of the funds in the Council. For example, under the proceedings of the Scientific Panel on Animal Health in its meeting held in August, 1978, gave priorities to the schemes as given below:

1. Chlamydiosis in domestic animals and birds- Coll. of Veterinary Sciences & Animal Husbandry, Jabalpur. — Priority 'A'

2. Uterine torsion in buffaloes, Punjab Agricultural University, Ludhiana. — -do-

3. Studies of filtrable agents associated with abortion in domestic animals with particular reference to prevalence and patho- — -do-

genecity of chlamydial and viral agents in exotic and indigenous sheep and goats, Chandra Shekhar Azad Agricultural University of Agriculture and Technology, Mathura Centre."

2.18. In a written note furnished subsequently, the Ministry have sought to explain as to how the research work being done in the universities/institutes, etc. was actually applied in the field. Relevant extracts from the note are reproduced below:

"Indian Council of Agricultural Research is responsible for the promotion and coordination of agricultural research and higher education, and training in the country. These functions are carried out mainly through the Central Research Institutes, Agricultural Universities and All India Coordinated Research Projects. At present, in the Indian Council of Agricultural Research, there are 31 Research Institutes, 5 Project Directorates, 49 All India Coordinated Research Projects and 26 Operational Research Projects. In addition, there are 21 Agricultural Universities which are engaged in agricultural research and education. Each of these institutions and universities have an extension wing to ensure speedy transfer of technology generated through research.

Although extension function and the ultimate farmers' training in the technology evolved by various Institutes and Agricultural Universities is the responsibility of the development departments both at the centre and at the State, the Indian Council of Agricultural Research has an obligation to carry out on-farm testing and demonstrations to verify the economic soundness of the new technology and its acceptability among farmers.

During the Golden Jubilee Year 1979 of the Council, a 'Lab to Land' Programme has been launched which aims at identifying and assisting 50,000 families specially small and marginal farmers, tribal farmers and farmers coming from weaker sections of the society for technical back-up where the research findings available through Institutes and Universities will be transferred to raise their income and standard of living with the specified period of two to three years. The approach will be based on technical assistance to the entire farming family for the entire farming system. The monitoring system will be based

on the additional income and employment generated. During the 6th Plan both Agricultural Universities and Central Institutes are being strengthened for providing adequate scientific back-stopping to extension machineries of the State Governments and other development agencies. Establishment of communication centres, mobile exhibitions and training units, organisation of farmers' fairs and production of extension literature will go a long way in acceleration of transfer of technology."

Financial discipline over Universities/Institutes

2.19. The Committee enquired the manner in which the Indian Council of Agricultural Research enforced financial discipline over the universities/institutes and how it was ensured that all the conditions of grants were observed by them. The Ministry of Agriculture and Irrigation have stated:

"1.—*Development grant to Universities.*—In the beginning of Plan period, each Agricultural University submits a five year plan of its development. These proposals are assessed by a Visiting Team composed of experienced Educationists/Scientists constituted by ICAR. The requirements and priorities recommended by the Visiting Teams are considered by the Norms and Accreditions Committee which recommends the item-wise norms of allocation within an overall ceiling for each University. Both the ceiling per University and the item-wise allocation depend upon the availability of the Plan funds and the priorities recommended by the Visiting Team. The pattern of assistance is decided by the Ministry of Finance for each Plan period.

All-India Coordinated Projects

Agricultural research is organised as a cooperative system in which the ICAR institutes and the Agricultural Universities at the State level participate in coordinated experiments. The financial linkages between these two sets of institutions have been established through a set of All India Coordinated Projects are sponsored by the Council and the general outlay is sanctioned by the Government of India.

The ICAR is currently represented on the Board of Management/Executive Councils of 18 out of 21 Agricultural Universities. These representatives help to monitor the

progress of research and education programmes and the utilisation of grants released by ICAR for research educational programmes as per 'Guidelines for ICAR representatives serving on Boards of Management of Agricultural Universities.' In view of its importance, the item relating to the effective utilisation of funds has been included from time to time on agenda of the Conference of Vice-Chancellors, the Norms and Accredition Committee and the Governing Body of ICAR.

In regard to Development Grant to Agricultural Universities, the funds are released on quarterly basis according to the approved pattern of assistance. The monitoring of the progress of expenditure against the sanctioned allocation is carried out every quarter when the demands for funds are received from the Universities. The quarterly releases are made after taking into account the unutilised balances which are adjusted or revalidated. Each quarterly demand is accompanied by a provisional utilisation certificate from the University. In the case of All India Co-ordinated Projects, demands are received from the Universities on half yearly basis and these are scrutinised on the basis of the sanctioned grant for the year, the expenditure likely to be incurred in the half year and the unspent balances lying with the grantees.

The expenditure incurred from the grants paid to the Universities both for development and All India Coordinated Projects is audited by the Statutory Auditors of the Universities. Such auditors furnish to the ICAR a certificate to the effect that the accounts have been audited and the grant has been spent on the objects for which it was meant. Further grants in respect of the schemes are stopped in case the utilisation certificates are not received within a period of two years after the end of the financial year during which the grant has been made as per the "Schedule of Terms and Conditions governing the Grants-in-aid from the Council." The ICAR also conducts test audit of the accounts of selected universities through internal audit parties.

Financial Discipline in Institutes

The research in various discipline of Agriculture and Animal Husbandry is conducted at the various Research Institutes, which are under the administrative control of the Council.

The detailed budget estimates are prepared by these Institutes separately for Plan and Non-Plan in accordance with the provisions of the General Financial Rules and other orders and instructions issued by the Government from time to time. At the beginning of each Plan, EFC Memo in respect of each Plan Scheme of the Institute is approved by the Planning Commission and the Ministry of Finance. The Budget provision in respect of the annual Plan is made in the Plan budget of the Institutes in accordance with the provisions contained in the approved EFC Memo after discussion in the Planning Commission. The provision in the non-Plan budget is made in respect of continuing Schemes|Committed expenditure and provision in respect of all new items is made with the concurrence of Member (Finance), who is Secretary (Expenditure) to the Government of India. The expenditure is incurred by the Directors of Institutes out of the provision made in the budget in accordance with the powers delegated to them. The expenditure proposals which are not covered by the delegated powers of the Directors are required to be referred to the Council where such proposals are examined and sanction issued with the concurrence of the Member (Finance) or the Governing Body, as the case may be.

The funds to these Institutes are released monthly keeping in view the expenditure incurred by them in the preceding months and the allocation made in the Budget Estimates.

The expenditure at the Institute is thus incurred in accordance with the financial norms laid down by the Government of India and their financial position is under constant review of the Council. Besides, the Council periodically conducts internal audit of the expenditure at the Institute through local Inspection Teams."

2.20. The Committee asked the amount of money allocated, paid and actually spent (a) by the universities for development purposes; (b) on the All India Coordinated projects; and (c) for the *ad hoc* projects. The Ministry have furnished the following statement:

(a) *Universities*		Rs.
Amount allocated	1974-75	5,56,39,394
Amount allocated	1975-76	7,37,57,371
Amount paid	1974-75	5,56,39,394
Amount paid	1975-76	7,37,57,371
Amount actually spent	1974-75	5,47,90,353
Amount actually spent	1975-76	5,43,79,600

(b) *All India Coordinated Projects*

Amount allocated	1974-75	4,98,40,303
Amount allocated	1975-76	7,31,85,691
Amount Paid	1974-75	4,81,42,226
Amount Paid	1975-76	5,11,08,522
Amount actually spent	1974-75	4,42,01,450
Amount actually spent	1975-76	4,06,48,384

(c) *Ad hoc Projects*

Amount allocated	1974-75	1,14,98,291
Amount Allocated	1975-76	1,43,48,507
Amount Paid	1974-75	82,66,434
Amount Paid	1975-76	1,01,52,455
Amount actually spent	1974-75	54,98,974
Amount actually spent	1975-76	62,49,365.

2.21. The Committee find that the scientific panels appointed by the Indian Council of Agricultural Research are carrying a heavy burden inasmuch as they scrutinise the proposals for research, progress the schemes in operation and evaluate the results of the projects which are concluded. They, however, note that the meetings of these scientific panels have been very few and far between. The total number of meetings held by 22 scientific penels operating during 1974-75 was 18 while during 1975-76, 17 scientific panels held a total of 29 meetings. The Committee are unable to appreciate as to how it could be possible for the scientific panels to discharge their heavy responsibilities effectively with the few meetings that were held during the year. The Committee fear that in such a situation the meetings of the scientific panels could become more or less a formality, throwing the burden of assessment of the merits of the schemes, and their progressing and evaluation largely on lesser functionaries in the Secretariat of the Indian Council of Agricultural Research. The Committee would like the Ministry to pay special attention to this aspect of the functioning of the scientific panels and bring about improvements in their functioning so as to ensure for the scientific panels a more direct and effective role in regard to the research schemes falling within their specialised jurisdiction.

2.22. The Committee are perturbed to find that amongst the ad hoc research schemes for which money was allocated by the Council,

there are schemes which were terminated, discontinued or abandoned. The number of such schemes during the period 1973-74 to 1977-78 works out to 197. The discontinuance or abandonment of research schemes year after year indicates that in these cases the schemes were sanctioned without proper assessment of their need and merit and the competence of those who were to work on it. Since a substantial amount of money has already been spent on these schemes which is rendered infructuous, the Committee would like the Council to analyse the causes for discontinuance or abandonment of the schemes and to issue, on the basis of their findings, guidelines to the authorities responsible for sanctioning the research schemes.

2.23. The Committee note that out of 254 ad hoc research schemes in operation during the period 1973-74 to 1977-78, as many as 68 were in operation for a period of 5 years or more. The Committee would like to know whether the Council had, while taking up schemes, stipulated the time frame for its completion and it had been adhered to in all cases.

The Committee would also urge that wherever any scheme gets delayed the Council should fully satisfy itself as to the validity of the grounds or such delay and whenever any delay is found to be unjustifiable, prompt steps should be taken to rectify the situation.

The Committee would also suggest that in cases of all such schemes there should be invariably one or more midterm appraisals in order to ensure that no scheme is allowed to be unduly prolonged.

2.24. The Committee need hardly emphasise that all agricultural research is ultimately for the use of the farmers in the field. The research projects undertaken by the ICAR, should either be directly connected with the problems and difficulties at the field level or should pertain to certain closely allied questions which eventually help in solving the problems at the said level. The Committee, convener, find from the methodology described for selection of research projects that the subjects for research or study are mooted by the scientists and teachers in the various universities and institutions and these are also approved by bodies wholly composed of scientists and teachers. Under this system, there is the danger of at least some part of the research effort getting far removed from the problems faced by the farmers in the field, unless the ICAR specially ensures that the effort does pertain to the problems at the field level. In this connection, the Committee suggest that in order to bring research closer to the farmer in the field, some way should

be found to associate representatives of the farming community at the time of selection of research projects and also while assessing the results of research.

2.25. The Committee note that there was a substantial variation between the amounts allocated, paid and actually spent during 1974-75 and 1975-76 (a) by the universities for development purposes; (b) on the All-India Coordinated projects; and (c) for the ad hoc research projects. During 1975-76, Rs. 5.44 crores were spent by the universities against Rs. 7.38 crores paid to them. In the same year Rs. 4.06 crores were spent on the All-India Coordinated projects against Rs. 5.11 crores made available to them and Rs. 62.49 lakhs were spent against the availability of Rs. 1.02 crores for the ad hoc projects. The substantial shortfall in expenditure against the money made available is a clear indication that the allocations of money for research work did not take into account the absorption capacity of the research organisation concerned. The Committee would like the Department to ensure that, firstly, the allocation of money for research purposes takes into account the absorption capacity of the research organisations concerned and secondly there is adequate follow up to watch the utilisation of the allocation.

CHAPTER III

RECEIPTS AND EXPENDITURE

Audit Paragraph

3.1. An analysis of the receipts and payment of the Council for 1975-76 (including transactions of the research Centres|Institutes) is as follows:—

	Amount (Rupees in lakhs)
Receipts	
Opening balance	425·99
Grants from Central Government	3764·35
Receipts from Cess Fund levied under Agricultural Procedure Cess Act, 1940	171·64
Receipts under P.L. 480	5·46**
Revenue receipts realised from activities financed from Agricultural Produce Cess Fund.	13·52
Revenue receipts realised from activities financed by Central Government grants.	242·58
Receipts realised on cash balances from the assets of erstwhile Commodity Committees during the year	9·59
Receipts on account of pensionary liability in respect of employees of earstwhile Central Government Research Institutes absorbed in Indian Council of Agricultural Research on account of reorganisation	0·16
Debt, deposits and remittances etc.	5·98
Deposits (net)	16·57
Suspense	12·52
Advances not bearing interest	3·35
Encashment of investments	0·50
TOTAL	4672.21
Payments	
Research Institutes	2371·67
Research Schemes	1400·84
Scholarships and Fellowships	56·43
Agricultural produce Cess Fund	178·11
Administration (Indian Council of Agricultural Research)	135·78
Expenditure on P.L. 480 Schemes	6·08**
Liabilities of erstwhile Commodity Committees discharged during the year	2·50
Debt, Deposits and Remittances, etc.	25·14
Investments	16·53
Closing Balance	479·13*
TOTAL	4672·21

*(1) The Closing balance of Rs. 479.13 lakhs includes unspent balance of Government grants upto 1975-76 amounting to Rs. 214.32 lakhs and a cash balance of Rs. 105.51 lakhs belonging to the erst-while Commodity Committees which were transferred to Council administration in 1966. The latter amount has, *prima facie,* been merged with Council's balances. Apart from this, the Council has investments aggregating to Rs. 351.09 lakhs out of general accounts.

Government should take into account the heavy closing balance of Rs. 479.13 lakhs with the Council and the investments of Rs. 351.09 lakhs while releasing grant for subsequent year.

(ii) The balance in the Provident Funds Accounts which amounts to Rs. 11.90 lakhs is not included in the closing balance. In addition, the Council has investments amounting to Rs. 352.19 lakhs out of Provident Fund.

**(iii) The Council has incurred an expenditure of Rs. 16,37,915 in excess of funds received under PL-480 to end of March, 1976.

[Paragraph 1 of the Audit Report on the accounts of the Indian Council of Agricultural Research for the year 1975-76]

Preparation of Budget

3.2. The Ministry of Agriculture and Irrigation (Department of Agricultural Research and Education) have intimated that both in form and content, the budgetary proposals of the ICAR which form the basis for grants from Government are the same as obtaining in the Departments of the Central Government. The budget proposals are prepared in accordance with the provisions of the GFR and other orders and instructions issued by the Government of India from time to time.

3.3. The detailed estimates are initially prepared by the estimating authorities *viz.* Directors of Institutes in respect of Research Institutes under the administrative conrtol of the Council and the Project Coordinators in respect of All India Coordinated Projects in the prescribed pro formae separately for Non-Plan and Plan indicating the actual expenditure figures under each Sub-head relating to (i) last 3 years (ii) Last seven months of the previous year and (iii) first five months of the current financial year. The same are subjected to detailed scrutiny in the Council at the appropriate level and after detailed examination, a consolidated proposal separately in respect of Non-Plan and Plan is submitted to the Ministry of Finance for their scrutiny and approval. After approval

of the estimates by the Ministry of Finance, the Council sends to that Ministry "Statement of Accepted Estimates" under the following Major Heads of Account for incorporation in the Demand for Grants :

(i) Major Head 305—Agriculture,

(ii) Major Head 307—Soil Conservation

(iii) Major Head 310—Animal Husbandry

(iv) Major Head 311—Dairy Development

(v) Major Head 312—Fisheries

(vi) Major Head 313—Forest.

Variation between Estimates of Expenditure and Actuals

3.4. The following statement indicates the summary of the budgetary provisions made by Government for grants to the Indian Council of Agricultural Research including transfer of Cess Fund Collection under the provisions of the Agricultural Produce Cess Act, 1940 as also the revised estimates and the actuals for the years 1975-76 to 1977-78 :

(Rs. in lakhs)

	1975-76 Budget Estimates	Revised Estimates	Actuals	1976-77 Budget Estimates	Revised Estimates	Actuals	1977-78 Budget Estimates	Revised Estimates	Actuals
A. (i) Major Head '305'									
Research and Education on Agriculture including Research on Commodities covered by Produce Cess Act, 1966 and Headquarters Administration.									
(Non-Plan) . .	967·10	937·95	932·75	1050·70	939·00	939·00	1172·61	1142·56	1128·12
(Plan) .	1727·25	1584·08	1673·13	2022·95	2084·36	2084·36	2784·61	3017·94	2970·93
(ii) Payments of the net proceeds of Cess under A.P. Cess Act, 1940.									
(Non-Plan)	160·00	160·00	171·64	170·00	272·00	272·00	275·00	300·00	300·01
B. Major Head '307' Research & Education on Soil & Water Conservation.									
(Non-Plan) .	26·90	28·06	28·06	27·13	27·01	27·01	27·90	26·19	27·90
(Plan)	12·00	16·00	19·50	25·00	30·00	30·00	21·50	42·50	21·50

ajor Head '810' Research and Education on Animal - Husbandry. ;								
(Non-Plan)	215·17	214·98	211·65	255·04	206·70	206·70	229·55	226·22	229·55
(Plan)	300·50	313·09	344·68	423·60	367·50	367·50	518·50	445·50	518·50
D. Major Head '311' Research & Education on Dairy Development.									
(Non-Plan)	101·70	106·91	119·91	107·68	109·12	109·12	117·68	117·44	117·68
(Plan) .	45·00	45·23	58·84	71·40	81·40	81·40	75·20	75·20	75·20
E. Major Head '312' Research and Education on Fisheries. .									
(Non-Plan) . .	123·08	129·87	129·25	145·95	134·22	134·22	146·43	139·28	146·4
(Plan) .	108·25	85·10	119·85	105·00	210·00	210·00	166·26	166·26	166·26
F. Major Head '313' Research & Education on Forests. .									
(Non-Plan) . .	42·04	42·73	42·73	46·18	41·63	41·63	48·03	46·02	48·03
(Plan)	77·00	80·00	84·00	100·00	97·50	97·50	105·98	110·98	105·98
TOTAL : . . .	3935·99	3744·00	3935·99	4550·63	4600·44	4600·44	5689·25	5856·09	5856·09

3.5. The Committee desired to know how far the income and expenditure was comparable with the corresponding budget estimates and the action taken on variations in the accounts of 1975-76. The Ministry of Agriculture and Irrigation have stated :

"A provision of *Rs. 3933.40 lakhs was made in the Budget Estimates of 1975-76. In additional to this, the receipts amounting to Rs. 157.41 lakhs were anticipated. Against the above provision, an expenditure to the tune of *Rs. 3706.11 lakhs was incurred and receipts amounting to Rs. 242.58 lakhs accrued during that year. The review of income and expenditure is done every year and the unspent balance at the close of the year is surrendred to Govrnment by short drawal of funds in the subsequent year.

As regards the variations in the Accounts for 1975-76, it may be stated that the Cabinet decided in 1974-75 that in order to impart the desired degree of operational flexibility and speed in project implementation, the society shall get from the Central Government a lump-sum grant every year. This will be composed of two parts Non-plan and Plan. The former will be based on estimates of NonPlan expenditure in the previous years subject to usual increments from year to year. It will be within the competence of the Society to economise on certain items and reappropriate for other purpose within the charter of the Society. As regards Plan outlay, the Society shall have the competence to reappropriate from one approved scheme to another provided the total outlay of all schemes for a five year period does not exceed the approved outlay in the Five Year Plan. For both Plan and Non-Plan expenditure, the reappropriation within the overall grant shall be subject to such guidelines and restrictions, if any, prescribed from time to time by the Department of Agricultural Research and Education in consultation with the Ministry of Finance. The demand for grant is printed in the different Major Heads to keep the basic requirement that the actual payment should be classified function-wise and programme-wise as recommended by the Administrative Reforms Commission.

In view of this, it will be seen that Society has powers to distribute the grant received from Government of

*These figures do not tally with those given by the Deptt. in the Statement reproduced in the precedeing Paragraph.

India in the manner befitting the work allotted to the Council *i.e.*, Research in Agriculture and Animal Sciences. The variations between the final drawal from the Government of India and the Accounts prepared on the basis of the expenditure incurred there against are also got ratified by the Governing Body of the Society after the Consolidated Accounts are audited and certified by the Accountant General."

Variation between Estimated Receipts and Actual Receipts

3.6. Broad details of Revenue Receipts realised from activities financed from Central Government grants and budgeted receipts and actuals for the years 1973-74 to 1977-78 were as under :

(i) Receipts on account of Sale proceeds of Farm Produce, Live Stocks, Poultry, Fish, Plants etc., at various Institutes of the Council.

(ii) Sale proceeds of Dairy Products and Biological products at various Institutes.

(iii) Receipts from sale and advertisements of Publications.

(iv) Rent, Recruitment and Application fee from candidates, interest on loans and advances and other Miscellaneous receipts.

(v) Receipts from Scheme including refund of unspent balances out of grants remitted by the Council on termination of the Scheme. The Receipts are budgeted on the basis of actuals for the previous year and the trend of collections during the first five months as revealed from the monthly statement of accounts received from various Institutes. The details of budgeted receipts and actuals for the last five years are as under :

Year	Budget Receipts B.E.	B.E.	Actua (Rs. in lakhs)	Percentage of variation between B.E. & Actuals
1973-74	132·52	146·43	162·92	+ 22·8%
1974-75	149·84	157·16	192 16	+ 28%
1975-76	157·41	183·95	242·58	+ 54·10%
1976-77	190·00	206·38	254·11	+ 33·74%
1977-78	215·22	229·80	287·78	+ 33·72%

It woluld be seen from the above table that there has been considerable increase in actual receipts over the estimated receipts.

3.7. The Committee enquired the reasons for the variations in the Budget Estimates, Revised Estimates and Actuals in respect of Receipts. The Director, Indian Council of Agricultural Research, stated :

> "It is true that the budget receipt have been going up compared to the budget as also the revised estimate. The budget is prepared on the basis of figures furnished by the estimating authorities when they anticipate the sale of products on a particular basis. It is due to revision of prices to some extent and due to increase in the production to some extent. You have rightly observed that it has been going up."

3.8. Elucidating further, the Secretary of the Indian Council of Agricultural Research stated:

> "We noticed that the procedures followed at various institutes, to account for the receipts, or to estimate receipts, were not uniform. We have committees to fix prices of various products and animals from the university farms. But different institutes followed different criteria. For that purpose, a Committee was appointed about six months back."

3.9. The Department of Agricultural Research and Education, later on, furnished the following terms of reference of the Committee which had been set up to streamline the system of accounting including budgeting of receipts :

> "1. To go into the existing system of budgeting of receipts in the Institutes and to suggest suitable method to ensure proper forecasting of the receipts with a reasonable degree of accuracy.
>
> 2. To make specific proposals for the receipt accounting and disposal of farm receipts and other products of the Institutes.
>
> 3. To make recommendations about the pricing policy to be adopted in respect of the products."

Opening Balance and Closing Balance

3.10. The Ministry of Agriculture and Irrigation have furnished the following statement indicating details of closing balances as per accounts of the last five years :

Opening Balances and closing Balances

"Closing Balances as on	31-3-74 (1973-74)	31-3-75 (1974-75)	31-3-76 (1975-76)	(In Rupees) 31-3-77 (1976-77)	31-3-78 (1977-78)
(A) Unspent balance of Govt. grants .	80,71,520	105,00,669	214,32,419	163,66,828	192,92,055
(B) A.P. Cess balances	193,96,587	183,42,249	182,54,970	225,52,616	278,94,556
(C) Debt. Deposit and remittance heads .	(-)39,78,426	(-)4,15,552	(-)6,74,560	21,72,662	(-)6,39,977
(D) PL—480 .	(-)24,05,721	(-)15,76,369	(-)16,37,915	(-)13,16,882	(-)11,47,441
(E) Erstwhile Commodity Committee Balances .	105,94,071	106,52,261	105,50,900	103,94,034	103,52,510
TOTAL .	316,78,031	426,11,258	479,25,814	501,69,258	557,51,703
Less					
Opening balance exhibited short by two/three Institutes .		(—)12,471	(—)12,471	(—)12,721	(—)12,721

It would be seen from the above that the closing balance of the ICAR has been continuing increasing.

3.11. The above balances did not include Provident Fund Balances with the Council for which a separate Receipt and Payment Account is appended to the Annual Accounts of the Council. The position of GPF balances as per accounts for 1976-77 and 1977-78 was as under :

	As on 31-3-77	As on 31-3-78
	Rs.	Rs.
Cash balance	15,45,716	27,76,633
Investments	4,57,18,800	5,52,39,300

3.12. As the figures furnished did not included balance under 'Securities', in another note, the Department have furnished the

following further details in regard to balances with the ICAR as on 31 March, 1978 :

Rupees in Lakhs

	Cash	Securities in bank
(i) Balance out of the grant received from Govt. during 1977-78 which included Rs. 150 lakhs permitted to be retained by ICAR to meet expenses on pay and allowances on the 1st April	192·92	Nil
(ii) Balance under the Agricultural Produce Cess Act, 1940	278·95	277·91
(iii) Balance under the Erstwhile Commodity Committe funds	103·53	176·58

The details of Securities are as below :

(Rs in lakhs)

(i) *Out of A.P. Cess Fund*

(a) 4% Govt. loan 1979	8·22
4% Govt. loan 1980	1·80
4 % Govt. loan 1981	36·07
(b) Term Deposit receipts of the State Bank of India (7 Nos. invested on different dates during the ya year)	231·82
	277·91

(ii) *Out of erstwhile Commodity Committee Funds*

(Rs. in lakhs)

(a) 3% conversion loan of 1946—80 .	5·00
(b) Term Deposit Receipts of the State Bank of India (9 Nos. invested on different dates during the year)	171·58
Total . .	176·58

Shortfall in Utilisation of Grants

3.13. The Committee enquired the reasons for the shortfall in the utilisation of grants given by Government leading to unspent balances carried over from year to year. The Ministry have stated :

> "The Indian Council of Agricultural Research being a Registered Society, it gets funds in the form of grants-in-aid from the Government. The funds are drawn by the

partment of Agricultural Research and Education in instalments and paid to the Council for financing its research activities. It has 31 Research Institutes under its administrative control. The expenditure is, therefore, not incurred only at the Headquarters of the Council but at the various Institutes situated in different parts of the country. The funds are remitted to the Institutes monthly keping in view the expenditure incurred by them in the preceeding month and the allocation made in the Budget Estimates for the year. On certain occasions he expenditure anticipated during the year is either not incurred due to the fact that the suppliers are not able to make the supplies or claim payment during the year or the posts for which allocation has been made in the Budget Estimates are not filled up due to procedural reasons, which results in savings during the year. The unspent balances available with the Council at the close of the previous five years are indicated below:

				(In Rupees)
1973-74	1974-75	1975-76	1976-77	1977-78
80,71,520	105,08,669	214,32,519	163,66,828	192,92,055

The above unspent balances from Government grants include a sum of Rs. 75.00 lakhs up to 1974-75 and Rs. 150.00 lakhs thereafter permitted by the Government of India to be retained with the Council to meet expenditure on pay and allowances on 1st April. After deducting the above amount, the following will actually be the unspent balances during the last five years:—

				(In Rupees)
1973-74	1974-75	1975-76	1976-77	1977-78
5,71,520	30,08,660	64,32,419	13,66,828	42,92,055

The percentage of savings varies from 0.2 per cent to 1.7 per cent of the total grant to the Council during these years.

The unspent balance left out of the grant drawn from the Government in a particular year is not carried over from year to year but is surrendered to Government during the subsequent year by short drawing of the funds to that extent."

3.14. The Committee enquired whether any maximum limit was prescribed up to which the Indian Council of Agricultural Research

was allowed to retain Government funds for its expenses. The Ministry have replied:

> "ICAR is allowed to retain a sum of Rs. 150 lakhs to meet the expenditure on pay and allowances of the officers and staff of the ICAR and its Research Institutes for the month of March payable in April next. This amount was determined a few years back on the basis of the expenditure relating to pay and allowances. As the expenditure on pay and allowances has since gone up, and as some further money is required to meet the other expenditure till such time the first instalment of Government grant is received, the Finance Ministry has been approached for a suitable increase of the amount."

3.15. Asked to state the amount of Government grants released to the council, the investments made by it and the closing balance during the year 1977-78. The Ministry have stated:—

> 'A sum of Rs. 58,56,009 lakhs was released as grant to the Council in 1977-78.
>
> No investment out of these grants has been made by the Council as such investments are not permissible.
>
> The closing balance as on 31-3-1978, out of Government grants was Rs. 192.92 lakhs which included the permissible amount of Rs. 150 lakhs for meeting expenditure on staff salaries. The balance was adjusted in the next financial year by short drawal of grants."

Excess Expenditure under PL 480 Account

3.16. According to the audit paragraph, the Council has incurred an expenditure of Rs. 16,37,915 in excess of funds received under P.L. 480 to the end of March, 1976. The Committee enquired whether the excess expenditure had been reimbursed from PL 480. In reply, the Ministry have said:—

> "The excess was reduced to Rs. 11,47,441 by 31st March, 1978. As a result of the efforts made by the Council to recover the excess expenditure from the PL 480 authorities, an amount of Rs. 21,13,816 has been recently received which is likely to cover the previous excess expenditure due from them."

....

Utilisation of A.P. Cess Fund.

3.17. At the instance of the Committee, the Ministry have sent the following note on the utilization of A.P. Cess Fund:—

"I. *Steps taken to make effective use of balances*

Under the provisions of Agricultural Produce Cess Act, 1940 the net realisation of the cess under this act reduced by the cost of collection as determined by the Central Government is paid to the Council. This money is being utilised for supporting research schemes of *ad hoc* character in agriculture, fisheries, animal husbandry etc.

On 31st March, 1978, the A.P. Cess Fund balance was Rs. 556.86 lakhs. The funds have accumulated over a period of years as the annual expenditure in the past could not keep pace with the corresponding receipts. While certain well developed institutions were able to draw upon the cess fund resources, the less developed, tribal and neglected regions of the country continued to lag behind because of poor research infrastructure and lack of trained manpower. This question of regional imbalance was considered by the Governing Body of the ICAR which decided that the whole question of research resource flow in an equitble manner to all the regions be examined and remedial measures to improve the situation suggested. In pursuance of this resolution of the Governing Body, a committee was constituted in April, 1976 under the Chairmanship of the late Prof. S. M. Sarkar, but due to the sad demise of Prof. Sarkar that committee had to be reconstituted in November, 1978 under the Chairmanship of Dr. L. S. Negi. This Committee has submitted its report. Some of the major recommendations of the committee were considered by the SFC|GB in the meeting held on 15th and 16th January, 1979.

II. *Projects proposed to be initiated from* 1-4-79 *for the utilisation of Commodity Committee balances and Cess fund acculation*

The Governing Body decided that the balances from the erstwhile commodity Committees as well as the accumulation from cess funds should be utilised for sponsoring projects in the following areas:

(a) Strengthening research on pulses, oilseeds, sugarcane, cotton and lac in order to accelerate the progress in the improvement of yield of these crops and in the internal utilisation of lac.

(b) Initiation of a human resources development programme in tribal, hill, drought-prone, flood-prone and other ecologically and economically handicapped regions of the country.

(c) Establishment of Krishi Vigyan Kendras in neglected areas in order to impart the latest technical skills through the method of learning by-doing.

(d) Organisation of an All India Coordinated Project for the generation of additional income and employment for landless agricultural labour near the market sheds of major cities like Calcutta, Delhi, Bombay, Hyderabad and Madras and in certain other areas characterised by low and uncertain income among landless abour families, such as Palamau in Bihar, Basti or Gorakhpur in Uttar Pradesh, Ahmednagar in Maharashtra, Sunderban in West Bengal, Tanjavur in Tamil Nadu and Kuttanad in Kerala.

In pursuance of these decisions, project proposals were prepared by Expert Groups which were considered by the Standing Finance Committee/Governing Body of the ICAR at its meetings held on 3rd and 4th February, 1979. The Governing Body approved for immediate implementation the projects relating to human resources development in ecologically and economically handicapped areas and to the establishment of Krishi Vigyan Kendras. Projects were also approved for the pilot plant production of slow release 9 coated urea and initiation of an Operational Research Project to ascertain its cost benefit characteristics. Another Project for the intensification of research on seed production technology in cotton to be operated in Karnataka, Gujarat and Maharashtra was also approved. In addition, the GB set up special Expert Groups for finalisation of the projects on the intensification of research and training in pulses, oilseeds and sugarcane. It was also decided to set up Special Groups to draw up the detailed projects for research on methods of assisting landless labour families to increase their income and number of days of employment in a year. All these projects will be operated during the next four years. These recommendations of the Governing Body of ICAR have been approved by the Union Minister for Agriculture and Irrigation in his capacity as President of ICAR. A summary

of the financial implications of these project proposals is given below:—

Sl. No.	Title of the project	Proposed outlay
		Rs. in lakhs
1	Intensification of Research & Training in pulse & Oilseeds crop .	480·00
2	Project for Intensification for research & Training in sugarcane .	186·75
3	Pilot Plant production of slow release lac-coated urea and operational research on its cost benefit characteristics	10·00
4	Project for intensifiction of Research on seed production technology in cotton	19·37
5	Human resource development for achieving agricultural progress in tribal, hill, DRAP, flood prone and other ecologically or economically handicapped regions	244·00
6	Establishment of Krishi Vigyan Kendras linked with research centres in command areas, Ecologically and Economiccally handicapped areas.	212·09
7	All India Coordinated Research Project for the generation of additional income and employ—for landless agricultural labour (ORP) . .	101·50

III. *Strengthening the infrastructure at ICAR Headquarters*

Besides the above projects, the question of providing better staff facilities in the matter of office and residential accommodation has been engaging the attention of the Governing Body. Prior to 1953, the ICAR Headquarters was located in certain buildings allotted to it by the Government of India. In 1953 ICAR shifted to its present accommodation in Krishi Bhavan. However, on account of the expansion in the activities of ICAR since 1966, the Headquarters establishment has also grown. Since Krishi Bhavan also houses the Department of Agriculture, Food and Rural Development, there has been great pressure on space in this building owing to the considerable expansion of these Departments. An Agricultural Scientists recruitment Board (ASRB) was constituted in 1973 as an autonomous recruitment agency for the recruitment of Agricultural Scientists. Another major area where/adequate space is essential is the Publications Wing within the ACAR Headquarters through which the ICAR has to discharge its responsibilities in regard to dissemination of Scientific information to/the farming and to the scientific communities at large. The working efficiency has been affected by the extreme congestion in Krishi Bhavan.

The ASRB is located in a building for which ICAR is paying an amount more than Rs. 21000 per month as rent. The Governing Body has hence felt it necessary that ICAR should have a separate building to accommodate the Agricultural Scientists Recruitment Board and the Publications Wing.

Similarly, difficulties were being experienced in the field of residential accommodation for the employees of the headquarters. As regards the ICAR staff at the Headquarters, only permanent employees are eligible for allotment of residential accommodation in the general pool. Even in these cases the date of priority for allotment is reckoned with effect from 4-10-62 only. This has caused a great hardship among the employees. With this objective in view ICAR purchased in 1968 a plot of land measuring about 8 acres from the DDA near Masjid Moth and a programme for building staff quarters has been taken up. Preference has been given in the residential construction programme to the needs of law paid employees. Taking into consideration all these facts the Governing Body decided in August, 1977 to construct a building for housing the Agricultural Scientists Recruitment Board and Publications Wing near the IARI campus and residential quarters in Masjid Moth at a total cost of Rs. 2.25 crores out of the accumulation from the Cess Fund. The construction of staff quarters is in progress and one of the blocks has reached the 4th floor level.

IV. *Summary of balances and proposed methods of utilisation*

Details showing the balance of A.P. Cess Fund on 31-3-78 and the expenditure to be met out of the savings are shown below:—

(Rs. in lakhs)

1.	Balance on 31-3-78	
	Details of expenditure to be met out of the above balance . . .	556·86
1.	Expenditure on construction of office building, visiting scientists' hostel and staff quarters (sanctioned in the GB Meeting held in August, 1977) .	225·00
2.	Expenditure to be incurred on the schemes in operation . . .	45·00
3.	Amount set apart in respect of completed schemes whose accounts have not been finally settled	100·00
		370·00

Thus the balance of Rs. 187 lakhs available under the A.P. Cess Fund will be utilised in the course of next 2 years on the projects referred to earlier."

Funds transferred from the Erstwhile Commodity Committees

3.18. On the utilisation of amount transferred from the erstwhile Commodity Committees, the Ministry of Agriculture and Irrigation have stated:—

"The Government of India decided in March '65 to reorganise the I.C.A.R. as a fully autonomous organisation and to bring under its administrative and technical control all the Research Institutes and Laboratories previously under the administrative control of the Ministry of Food, Agriculture, Community Development and Cooperation. In addition to Central Research Institutes, nine Central Commodity Committees were functioning under the overall financial and administrative control of the Department of Agriculture. Of these, five were non-statutory organisations having been registered under the appropriate Registration Act and four were statuory organisations. The five non-statutory Committees were dissolved on 30-9-65 and the four statutory organisation were abolished on 31-3-66. As a consequence, eight research institutes/Stations/Laboratories managed by these Committees were transferred to the ICAR from the date of their dissolution/abolition.

The assets and liabilities of these Committees were transferred to the ICAR by Government resolutions. The liquid assets included cash/Bank Balances, Securities and moneys due to the Committees. The liabilities represented outstanding claims of outside parties for services rendered prior to 1-4-66, outstanding claims of employees for the period prior to 1-4-66, amounts lying under Debt Deposit etc. heads and also expenditure on account of schemes in operation sanctioned by the Committees.

The cash balances of these Committees including receipts realised during 1966-67 taken over by ICAR was Rs. 53.78 lakhs as per the audited accounts of the ICAR for the year 1966-67. Another sum of Rs. 52.04 lakhs (the bulk of which belonged to Indian Central Oilseeds Committee) was taken as receipts in the accounts of ICAR for the year 1967-68. Thereafter the annual receipts on account

of these Committees mainly represented interest earnings on securities. The liabilities in respect of these Committees were discharged out of the balances taken over and other receipts realised and the cash balance as on 31-3-78 on account of these Committees was Rs. 103.52 lakhs.

In addition to the cash balances, investments of these Committees in the form of Government Promissory notes aggregating to Rs. 130.38 lakhs were taken over by ICAR. These securities had varying periods of maturity ranging from 1969 to 1986. As and when the securities matured, they were encashed and reinvested in short term fixed deposits with the State Bank of India. These deposits together with the accrued interest were again reinvested on maturity. Thus on 31-3-78, except the 3 per cent conversion loan 1946—86 of the face value of Rs. 5 lakhs received from the Indian Central Oilseeds Committee, the rest of the investments amounting to Rs. 171.58 lakhs was in the form of Deposit receipts of the State Bank of India. The investment of funds in Fixed Deposit receipts was done with the approval of the Ministry of Finance.

The balances of these Committees will be utilised by ICAR for strengthening research and training programmes in the vital areas of Indian economy such as pulses, oilseeds, sugarcane, cotton and lac. Intensification of research in the field of Sugarcane, to reduce the cost of production and for filling the critical gaps by establishing research centres in Nagaland and Orissa is necessary. Research on the diversification of uses of sugar, such as the production of ethanal which could be used as an energy source to run irrigation pumps, is also being contemplated. The Governing Body of the Council has already sanctioned projects in cotton and lac and has set up Project preparation groups for finalising the projects relating to pulses, oilseeds and sugarcane. These projects will be finalised by the end of March, 1979."

3.19. The Committee desired to know during evidence, the reasons for the accumulation of the balances and how it was proposed to utilise the unspent balances. The Secretary, Department of Agricultural Research and Education stated:—

"The unspent balances are of four categories. One is unspent balance from the Government grant for plan and non-plan schemes and there the Finance Ministry has agreed

to our retaining Rs. 1.5 crores every year to meet the expenditure in the month of April. The final amount left on Government accounts is known when the Audit is completed. The other major categories come from the balance left from the commodity committees. The Commodity Committees are of two kinds. There are five non-statutory Committees. They are: the Indian Central Sugarcane Committee, the Indian Central Tobacco Committee, the Indian Central Jute Committee, the Indian Central Arecanut Committee and the Indian Central Spice and Cashewnut Committee. There are four statutory Committees. They are: the Indian Central Cotton Committee, the Indian Central Lac Cess Committee, the Indian Central Oilseeds Committee and Indian Central Coconut Committee. When these committees were dissolved, their assets and liabilities were transferred to the Indian Council of Agricultural Research. It took sometime to determine as to what are the liabilities. Now, fortunately, we find that the balance is in favour and the assets were Rs. 103.53 lakhs as on 31-3-1978.

The third is the current revenues from the Agricultural Produces Cess Act and the final one is the balances under the debt deposit remittance schemes. The cess is collected quarterly. There is a Standing Finance Committee which is provided under the Cess Act. This money is utilised for starting research projects. Research projects are submitted by research workers from all over the country. They are examined by the respective Scientific Panels and by ICAR. The schemes are considered as to whether they are relevant to our needs and then the Panels recommend. Then there are guidelines about the kind of programmes and once the projects are recommended, they go to the Standing Finance Committee and the Governing Body. It is correct that the utilisation of the cess fund has not been as good as would have liked it to have been.

Secondly, the Governing Body also felt that some of these monies can be utilised for providing the minimum necessary facilities, *e.g.* we have a housing project for ICAR headquarters staff. The plot was acquired some years ago and now houses are being constructed. Some more residential accommodation as well as office accommodation are needed.

Thirdly, depending upon your Committee's decision, we have now prepared a series of programmes to strengthen research on sugar cane, cotton etc. in addition to what is provided under Government of India's account *e.g.* in sugar-cane, there are problems of high cost of production, less crushing period etc. in the North Indian belt. Our scientists are trying to find out how we can have 3 sugar cane crops in 2 years, how we can have rice-sugarcane or wheat-sugarcane rotation and how we can do sugarcane cultivation under different ecological conditions, *i.e.* as in Maharashtra. Similarly, for plantation crops, a series of programmes have been formulated.

There are 2 ways of utilising those balances. One is to utilize them to intensify our research programmes, particularly in areas which have not so far received adequate attention; two, to prepare our own plants or to adjust them against Government grants."

3.20. In regard to the utilisation of Commodity Committees balances, the Secretary, Department of Agricultural Research and Education went on to say:—

"We can only support such schemes which are recommended ....They are not adequate to cover all parts of the country. Most of the schemes are coming from the Government—financed Institutes and well endowed universities. Some of the regions like the North-eastern Himalayan region and some of the neglected regions, do not send schemes for sanction. We do not get schemes from them for sanction. So, we took alternative steps. Now, Dr. Negi who was Vice-Chancellor of the Himachal Pradesh Agricultural University and also formerly of the Jawaharlal Nehru Krishi Viswa Vidyalaya at Jabalpur and Assam Agricultural University is heading this Committee. This Committee has been charged with the responsibility of making recommendations about how we can try to put some of these funds to strengthen research in those areas which do not have an adequate research facility. After all, these monies have come from most of these commodities, *e.g.* coconut, cotton, oilseeds etc. some of these crops are very important for these regions."

3.21. As regards the accumulation in A.P. Cess Fund, the Secretary, Ministry of Agriculture and Irrigation stated during evidence:—

"The A. P. Cess (Cash) balances have been increasing from year to year. On 31-3-1978 they were Rs. 278 lakhs odd..... This particular fund from the Cess is given for

ad hoc research projects primarily for agricultural research in universities. Unfortunately, we have not been able to get many schemes from neglected regions. In the last few years, fortunately, the Cess fund receipts have been going up gradually and have now reached a figure of Rs. 3 crores. The Governing Body went into this and pointed out as to how we can help those areas from where schemes are not forthcoming. For this, we have appointed a Committee about 1½ years ago. But the former Chairman Prof. Sarkar passed away and a new Chairman was appointed. I am informed that the Committee is going to complete its work on the 9th of this month."

3.22. In reply to a question, the witness stated:—

"We have been continuously considering how this Cess fund could be utilized according to the rules governing the utilization of those funds. As I mentioned, 3 steps have been taken. One, the earlier guidelines for the utilization of Cess funds did not permit, e.g. giving funds for a large piece of equipment, or for some minimum amount of construction etc."

3.23. He added:—

"The Finance Member said that unless we modify our guidelines, they could not provide certain inputs. Most of the projects consist of some minimal research fellows, some staff, some contingency and working expenditure. We have moved in the direction of modifying these guidelines. A little input from the cess fund will be necessary when we set up more research work in some of the neglected areas where there is no infrastructure at all. In the new areas, we will have to provide infrastructure; and the Finance Ministry has stated that unless we modify our guidelines, they cannot provide it. This has been completed. We have set up a committee to make recommendations on the programmes to be initiated in neglected tribal regions."

3.24. Asked to state the cash balance (out of Cess Fund accumulations) retained by the Indian Council of Agricultural Research, the Secretary of Ministry stated:—

"The cash balance is Rs. 557 lakhs."

3.25. In reply to another question, the Secretary of the Ministry stated:—

> "Normally ICAR had been operating on block grant principle in the sense that if there were savings, within the overall ceilings approved by the Government we can divert it. For each year we have an unspent balance of Rs. 60 lakhs. Most of the unspent money seems to be on All India coordinated research projects which are spread all over the country with a large number of centres in each project. Under the Universities head there is almost complete utilisation of the funds."

Holding by the same person of offices of DG, ICAR and Secretary of Department

3.26. The Committee pointed out to the witness during evidence that moneys placed at the disposal of the Council were not spent fully by the Council as the Director-General of the Indian Council of Agricultural Research was also the Secretary of the Department of Agricultural Research and Education. On account of this dual role as Secretary of the Department of Agricultural Research and Education giving the funds and as Director General of the Indian Council of Agricultural Research receiving and spending the funds, there was no check on spending, accounting etc. The Secretary of the Department of Agricultural Research and Education stated:—

> "The Department of Agricultural Research and Education was set up to provide Governmental linkages to the ICAR. It is a small Department with just the two of us—the Secretary of ICAR and myself playing a dual role. We have a very small corps of staff, in order to do a certain amount of Government work relating to ICAR . . . My own view is that it is an excellent arrangement which combines the necessary degree of Governmental authority with the ability to function because, when we deal with State Governments and so on, very frequently we have to deal with a large number of matters. If you look at the progress in the ICAR Plan schemes, quantitatively we are growing. We have been doing, unlike the CSIR, UGC and so on, two concurrent functions, *viz.* research and education and, in relation to the diversity of the functions of ICAR, I think this mechanism has been very beneficial. This is a kind of authority which is needed for this office—whoever

may be the Secretary—in order to function well. That is my considered judgment."

3.27. The Committee find that the assessment of Estimated Receipts at the Budget and Revised Budget Stages has been, over the years, consistently low and largely unrelated to the actuals of the preceding year. The Committee do not know whether it was deliberately kept low with a view to obtain larger funds. In any case, it indicates faulty estimating of Receipts the variations ranging from 22.8 per cent to 54.10 per cent. Now that a Committee has been appointed to go into the existing system of budgeting of receipts, receipt accounting and disposal and the pricing policy, the Public Accounts Committee hope that these matters would soon be brought on sound footing. The Committee would like to be informed of the decisions taken by the Government on the recommendations of the Committee appointed by the Indian Council of Agricultural Research.

3.28. The Committee are unhappy to note that the expenditure in excess of the grants received by ICAR under the P.L. 480 programme. By the end of March 1974, the excess expenditure was to the extent of Rs. 24.06 lakhs which was brought down to Rs. 11.47 lakhs by the end of March, 1978. The Committee desire that the ICAR & the Department should take appropriate measures to see that as far as possible, the availability of money from this source and the corresponding expenditure are as close as possible to each other.

3.29. The Agricultural Produce Cess is being collected under the Agricultural Produce Cess Act, 1940 and the proceeds, less cost of collection, are made over to the ICAR. The money is to be utilised for supporting research schemes of ad hoc character in agriculture, fisheries, animal husbandry etc. As the annual expenditure in the past could not keep pace with the receipts, funds have been accumulating year after year so much so that by the end of March 1978 the balance with the ICAR on this account was Rs. 5.57 crores of which Rs. 2.79 crores were held in cash while Rs. 2.78 crores were invested in Government securities. The Committee find that the ICAR has so long been grossly negligent in the matter of proper utilisation of Cess Funds. The responsibility of the Council is in no way mitigated by the plea advanced before the Committee that the Council supported out of the Cess funds "such schemes as are recommended" and that the hitherto neglected regions like the North-east Himalayan region "do not send schemes for sanction". The very fact that soon after the selection of the subject of ICAR

for examination by the P.A.C. and the issue of probing questionnaire on the subject the Council rushed through various stages and finally in February 1979 approved projects proposals to be operated during the next 4 years, amply proves that the Council has not been serious in the past in regard to the utilisation of the Cess Funds. This is highly regrettable.

3.30. Whereas on the one hand there was failure on the part of the Council to formulate proposals for utilisation of the Cess Fund to secure the objectives of the Fund, a sizeable part of the accumulated fund was sought to be spent on construction of office building, hostel and staff quarters for the Headquarter staff of the ICAR and to enable such expenditure being made from Cess Fund, the guidelines for expenditure from the Cess Fund were modified. The Committee are averse to an expenditure of Rs. 2.25 crores being made from the Cess Fund for the construction of office buildings, hostel and staff quarters. For expenditure on office buildings, hostel and staff quarters for the Headquarters establishment of the ICAR, the Council should more appropriately have approached the Central Government for a special grant with full justification therefor and the projects should have been taken in hand only after the schemes were vetted and approved by Government. The Committee desire that even now the proposals in regard to the project may be sent to the Government for sanction and a special grant asked for to meet the expenditure thereon. The Cess Fund should be kept for utilisation wholly on schemes for research in accordance with the objective laid down in the Agricultural Produce Cess Act, 1940.

3.31. The Committee note that in accordance with the decision of the Government in March 1965, balances in respect of commodity Committees were taken over by the ICAR. The cash balances taken over were Rs. 53.78 lakhs during 1966-67 and Rs. 52.04 lakhs in 1967-68 making a total of Rs. 105.82 lakhs. After setting of the liabilities in respect of these Committees, the cash balances by the end of March, 1978 were Rs. 103.52 lakhs. In addition to the cash balances, investments of these Committees in Government securities were also taken over by the ICAR. These amounted to a total of Rs. 130.38 lakhs which have by the end of March, 1978 risen to Rs. 171.58 lakh plus Rs. 5 lakhs invested in 3 per cent conversion loan 1946—86. The investment of funds in fixed deposit with the State Bank of India is stated to have been done with the approval of the Ministry of Finance. The Ministry have informed the Committee that the balances of these Commodity Committees 'will be'

utilised by ICAR "for strengthening research and training programmes in the vital areas of Indian economy" and that "these projects will be finalised by the end of March, 1979". The Committee are unable to appreciate as to why these balances aggregating (as on 31-3-1978) Rs. 2.80 crores were allowed to lie dormant since 1967-68 i.e. for a period of more than 10 years. The Committee are also unable to appreciate the rationale behind investing and re-investing these funds in Fixed Deposit when, with adequate planning, the funds could be utilised for fruitful research and educational work in the fields covered by the erstwhile commodity Committees. The Committee consider that it was nothing short of gross negligence on the part of the Council not to have utilised these funds for fruitful purposes for over ten years. They would like the Council to finalise the schemes to be financed out of these funds and have them implemented without further delay.

3.32. The Committee find that the closing balance out of Government grants left unspent with the Indian Council of Agricultural Research at the end of March 1976, March 1977 and March 1978 was as much as Rs. 2.14 crores, Rs. 1.64 crores and Rs. 1.93 crores respectively. It is explained that Indian Council of Agricultural Research is allowed to retain a sum of Rs. 1.5 crores to meet the expenditure on pay and allowances of the officers and staff of the I.C.A.R. and its research institutes for the month of March payable in April next. The unspent balances out of Government grants with the Council have been year after year much in excess of Rs. 1.50 crores. If the Agricultural Produce Cess balances and the erstwhile Commodity Committees' balances are also taken into account, the total holdings with the Council at the end of financial year 1975-76, 1976-77 and 1977-78 were quite substantial being Rs. 4.79 crores, Rs. 5.02 crores and Rs. 5.58 crores respectively. The Committee would like the Ministry to go into this aspect carefully and find ways and means of reducing the closing balances with the Council at the end of the financial year to the minimum.

3.33. The Committee find that the system of a single person being appointed as Director General of the Indian Council of Agricultural Research as well as Secretary of the Administrative Department of Agricultural Research and Education is not conducive to public interest in as much as under such a system the activities of the Council and its proposals for sanction of expenditures on various schemes and projects are not likely to receive closer scrutiny at the level of the administrative department. The Committee, therefore, suggest that with a view to enable the Department of

Agricultural Research and Education to discharge the usual function of an administrative department, namely, to oversee the functioning of ICAR from a detached angle, Government may examine the desirability of appointing a separate person as Head of this Department.

CHAPTER IV

OUTSTANDING ADVANCES AND RECOVERIES

Audit Paragraph

Non adjustment of departmental advances

4.1. The Council and the Institutes under it make payments of the following types of advances:—

(i) advances to the Central Public Works Department; Directorate General of Supplies and Disposals; State Governments; Local bodies or other private bodies in order to get services or stores from them, and

(ii) advances granted under special orders of the competent authority to Council officers for departmental or allied purposes.

4.2. Heavy balances of advances given by the Council and its Institutes lying with the Central Public Works Department, Directorate General of Supplies and Disposals and other parties were commented upon in paragraph 2 of the Audit Reports on the accounts of the Council for 1969-70 and 1971-72.

4.3. The table given below shows the figures of advances paid upto 31st March, 1976 which were awaiting adjustments in some of the Institutes under control of the Indian Council of Agricultural Research:—

Name of the Institute	Advances awaiting adjustment as on	Rupees (in lakhs)	Earliest year to which outstandings relate
1	2	3	4
1. Indian Agricultural Research Institute, Pusa, New Delhi.	30th September, 1976	326·81	1961-62
2. Central Soil Salinity Research Institute, Karnal.	June, 1976	46·24	1969-70
3. Central Rice Research Institute, Cuttack	31st December, 1976	36·58	1966-67

1	2	3	4
4. Institsute of Agricultural Research Statistic, New Delhi.	30th November, 1976.	33·57	1962-63
5. National Dairy Research Institute, Karnal.	31st December, 1976	31·34	1970-71
6. Central Plantation Crops Research Institute, Kasaragod.	Do.	27·41	1966·67
7. Central Arid Zone Research Institute, Jodhpur.	Do.	18·33	1974-75
8. Indian Council of Agricultural Research, New Delhi.	31st December, 1976.	16·45	1958-59
9. Central Potato Research Institute, Simla.	31st October, 1976	11·61	1967-68
10. Central Soil & Water Conservation Research & Training Institute, Dehradun.	31st December, 1976.	13·03	1970-71
11. Indian Veterinary Research Institute, Izatnagar.	31st August, 1976.	14·40	1966-67
12. Indian Veterinary Research Institute, Mukteswar.	May, 1976	12·04	Not known
13. Central Plantation Crops Research Institute, Vittal.	31st December, 1976	14·72	1966-67
14. Jute Technological Research Laboratory, Calcutta.	Do.	14·95	1970-71
15. Indian Veterinary Research Institute, Bangalore.	30th September, 1976.	11·58	Not known
16. Central Sheep & Wool Research Institute, Avikanagar.	31st December, 1976.	18·38	1970-71
17. Jute Agricultural Research Institute, Barrackpore.	Do.	10·01	1966-67

Outstanding recoveries

4.4. A sum of Rs. 30.25 lakhs was outstanding realisation in December 1976 from various parties for publications, farm products, animal and biological products sold on credit by the Council and its Institutes as shown below:—

	Name of the Institute	Period	Amount (Rs. in lakhs)
1.	Indian Veterinary Research Institute, Izatnagar.	From 1964-65 to 1975-76	18·69
2.	Central Potato Res. Institute, Simla . .	From 1960-61 to 1975-76	6·74
3.	Indian Council of Agricultural Research New Delhi.	From 1964-65 to 1975-76	2·39
4.	Institute of Agricultural Research, Statistics, New Delhi.	From 1970-71 to June 1976	0·69
5.	Central Rice Research Institute, Cuttack	From 1962-63 to 1975-76	0·45
6.	Indian Veterinary Institute, Mukteswar. .	From 1956-57 to 1975-76	0·24
7.	All India Coordinated Rice Improvement Project, Hyderabad.	From 1970-71 to 1975-76	0·39
8.	National Dairy Research Institute, Karnal. .	From 1957-58 to 1958-59	0·32
9.	Central Sheep & Wool Research Institute, Avikanagar.	From 1971-72 to 1974-75	0·34
		TOTAL .	30·25

[Paragraphs 4-5 of the Audit Report on the accounts of the Indian Council of Agricultural Research for the year 1975-76.]

Outstanding Advances

4.5. The position as on 31st December, 1978 in regard to the adjustment of advances paid upto the various years are indicated below:—

Advances paid	Amount pending adjustment on 31-12-78
	Rs. in lakhs
(i) Upto 31-3-73	313·26
(ii) Upto 31-3-74	352·47
(iii) Upto 31-3-75	397·55
(iv) Upto 31-3-76	488·02

The year-wise break-up of the outstanding upto 31st March 1976, as on 31st December, 1978 is as follows:—

Year	Rs. in lakhs
(i) 1958-59	0·10
(ii) 1959-60	0·10
(iii) 1960-61	0·01
(iv) 1962-63	3·15
(v) 1963-64	0·30
(vi) 1964-65	0·47
(vii) 1965-66	0·38
(viii) 1966-67	3·06
(ix) 1967-68	17·04
(x) 1968-69	28·43
(xi) 1969-70	52·63
(xii) 1970-71	52·89
(xiii) 1971-72	66·60
(xiv) 1972-73	88·01
(xv) 1973-74	39.21
(xvi) 1974-75	45·08
(xvii) 1975-76	90·47
Total	488·02

4.6. The Committee enquired the reasons for the advances remaining unadjusted for inordinately long time and efforts made so far to have them adjusted. In reply, the Ministry have furnished the following note:—

"Indian Council of Agricultural Research being an autonomous Society is not entitled to avail of the services of the various Government departments like Central Public Works Department, Directorate General of Supplies and Disposals and Controller of Printing and Stationery etc. like other Government Departments. But since the Council follows all rules and regulations of the Government, it was necessary for them to get their buildings constructed through the agency of Central Public Works Department or obtain the required stores, equipment, stationery items etc. through the Directorate General of Supplies and Disposals and Controller of Printing and Stationery. In all these cases the estimated cost of the services required are to be paid in advance to the agencies mentioned above. The outstanding of Rs. 488.02 lakhs represent the unadjusted amounts advanced by the Council and its Institutes upto 75-76 for the services mentioned above to the Government Departments. The adjustment of these amounts are pending due to non-receipt of the adjustment accounts from those Government departments.

Out of Rs. 488.02 lakhs, a sum of Rs. 398.44 lakhs is pending adjustment in respect of advances paid to Central Public Works Department for construction activities. Under the rules the adjustment of the advance can be made by the Institute concerned only on receipt of expenditure statements from the Executive Engineer concerned through the Accountant Authority Accountant General who will verify their correctness before forwarding them to the Institutes. Due to non-receipt of these statements in the Institutes the amounts are still kept outstanding in their books although most of the works for which amounts were advanced have been completed and taken over. In order to settle this matter, the Council issued instructions in April, 78 to all the Institutes to submit to the Accountants General concerned a statement showing the details of expenditure in respect of each work to enable him to verify the correctness of the figures. These instructions were issued

after consulting the Accountant General, Commerce Works and Miscellaneous, New Delhi who agreed to verify the figures on receipt of the statements. But the Institutes have not so far been able to prepare these statements as the information in this regard has not been furnished to them by the Executive Engineers of the Divisions concerned. The matter has therefore been brought to the notice of the Secretary Works, Housing Ministry and it is hoped that the outstanding would be adjusted shortly.

. . . . . .

As regards deposits with other Departments the Directors of the Institutes are taking steps to obtain adjustment accounts from the Pay and Accounts Officers of the Departments concerned even by personal contacts wherever possible."

4.7. The Committee enquired whether the cases of advances outstanding from Government servants had been received by the Council. The Ministry have stated:

"The position regarding the adjustment of outstanding advances paid to the officers for departmental and allied purposes are reviewed by the Directors of the Institutes periodically and quarterly reports of such outstanding are also sent to ICAR.

A committee set up by the Governing Body of the Council to examine the points included in the Audit Report of the ICAR for the year 1973-74 which included two members of the Governing Body had recommended that to safeguard against recurrence of the irregularities of the type, no advances for such purposes should be issued to employees other than responsible officers of gazetted rank and that at no time more than two advances should be outstanding against any individual officer who could be responsible for adjustment of the advance within the prescribed time limit.

The Council has accordingly issued strict instructions in the matter."

4.8. The Committee asked the latest position of outstanding recoveries and steps taken or proposed to be taken in future to recover the amount. The Ministry have stated:

"A sum of Rs. 30.25 lakhs was shown as pending recovery on 31st March, 1976 from various parties in respect of publications, farm products, animal and biological products sold

on credit by the Council and its Institutes. As against this, the dues now remaining are Rs. 10.49 lakhs as detailed below:—

Name of the Institute	Amount shown pending in the Audit Report	Amount now pending
	Rs. (in lakhs)	Rs. (in lakhs)
1. I.V.R.I., Izatnagar	18·69	6·09
2. C.P.R.I., Simla	6·74	2·51
3. I.C.A.R, New Delhi	2·39	0·84
4. I.A.S.R.I., New Delhi	0·69	0·01
5. C.R.R.I., Cuttack	0·45	0·39
6. I.V.R.I., Mukteswar	0·24	..
7. A.I.C.R.P., Hyderabad	0·39	0·17
8. N.D.R.I., Karnal	0·32	0·32
9. C.S.W.R.I., Avikanagar	0·34	0·16
	30·25	10·45

Out of the sum of Rs. 10.49 lakhs now pending, a sum of Rs. 10.22 lakhs is due from the State Governments. The Chief Secretaries of these Governments are being requested to arrange for the payment of these dues. Steps are also being taken to write off old items which could not be recovered in spite of all efforts.

To avoid the accumulation of dues in future, the Governing Body of the Council have decided that in future sale of biological and other farm products to Government and private agencies and others should be strictly on cash basis only except in those cases where Government departments are not in a position to make cash payments because of their financial rules."

4.9. The Committee note that of the advances given by the ICAR and its institutes upto 1975-76, an amount of Rs. 488.02 lakhs was pending adjustment as on 31st March, 1978. The advances were mainly given to the Central Public Works Department, Directorate General of Supplies and Disposals, Controller of Printing and Stationery, etc. for the services to be rendered by them or for the stores

to be procured from them. The adjustment of the advances is pending due to non-receipt of the adjustment accounts from those Government departments. Out of Rs. 488.02 lakhs, a sum of Rs. 398.44 lakhs is pending adjustment in respect of advances paid to the Central Public Works Department. As per rules, the adjustment of an advance to the C.P.W.D. can be made by the Institute concerned only on receipt of expenditure statements from the Executive Engineer concerned through the Accounting Authority who after verifying their correctness will forward them to the Institutes. The Committee have been informed that the works for which amounts were advanced have been completed and taken over. But due to non-receipt of these statements in the Institutes, the amounts are still kept outstanding in their books. Since some of the advances awaiting adjustment were paid years are, the Committee feel that drastic action is required to settle and adjust them in close cooperation with the Ministry of Works and Housing and other Ministries and Departments concerned and the concerned Accounting Authority. They recommend that the outstanding advances should be settled without further loss of time.

4.10. The Committee note that out of Rs. 30.25 lakhs pending recovery on 31st March, 1976 from various parties in respect of publications, farm products, animal and biological products sold on credit by the Council and its Institutes, Rs. 19.76 lakhs have been realised leaving a balance of Rs. 10.49 lakhs pending realisation. The Committee would like to draw attention of the Ministry to their earlier observation made in paragraph 5.39 of their 4th Report (5th Lok Sabha) (presented in July, 1971) wherein it was emphasised that vigorous efforts should be made to recover the outstanding amount and dues should not be allowed to accumulate in future. In their Action Taken Note, the Ministry had stated on 23 February, 1972 that care would be taken to see that dues were not allowed to accumulate disproportionately. The Committee regret that inspite of the above assurance of the Ministry, care was not taken to recover the dues promptly and these were allowed to pile up from year to year. The Committee would like energetic action to be taken to recover the outstanding dues.

4.11. The Committee note that it has been decided by the Governing Body of the Indian Council of Agricultural Research that in future the sale of biological and other farm products to Government and private agencies and others would be strictly on cash basis except in those cases where Government departments are not in a position to make cash payments. The Committee hope that hereafter advance cash payment for sales will be generally insisted upon and the exceptions to this procedure would be rare.

CHAPTER V

OUTSTANDING UTILISATION CERTIFICATES

Audit Paragraph

5.1. A review of accounts of the grants disclosed that in respect of grants given by the Council upto 31st March, 1973, utilisation certificates for Rs. 1058.62 lakhs were outstanding on 31st December, 1975 as detailed below:

Name of Grantee Institute	Upto 1968-69	1969-70	1970-71	1971-72	1972-73	Total
			(In lakhs of rupees)			
States . .	58·37	18·89	29·39	86·17	93·88	286·70
Central Institutes	0·64				0·30	0 94
Universities . .	12·58	9·34	71·67	163·10	437·05	693·74
Private Institutes (Associations, Societies, etc.)	0·43	0·01	0·40	0·34	1·82	3·00
Other bodies . .	12·00	14·13	8·36	11·67	28·08	74·24
Total .	84·02	42·37	109·92	261·29	561·13	1058·62

[Paragraph 3 of the Audit Report on the accounts of the Indian Council of Agricultural Research for the year 1974-75].

5.2. The Committee enquired the latest position of outstanding utilisation certificates in respect of grants paid by the Indian Council of Agricultural Research. The Deputy Director General, Indian Council of Agricultural Research stated, during evidence:

> "As far as educational grants are concerned they have been utilised, as reported, and I stand by it. There are two stages of utilisation. One is the certificate by the Vice-Chancellor and the University's accounting side. The other is the audit certificate which takes two years or so. The governing body have allowed two years extendable to three years, for submitting the audit certificates in the case of universities."

5.3. The Ministry of Agriculture and Irrigation have furnished the following statement indicating the position of outstanding utilisation certificates as on 31st December, 1978 in respect of grants paid upto 31st March, 1976:

	Rs. in lakhs
'31-3-1973	267·51
31-3-1974	353·03
31-3-1975	457·86
31-3-1976	635·45"

5.4. The reasons for the non-receipt of utilisation certificates by the Indian Council of Agricultural Research were stated to be as follows:

"(1) Some of the Universities have expressed difficulties in getting the utilisation certificates audited within two years after the end of the financial year during which the grants have been made as required by the schedule of "Terms and conditions governing the grant in aid from the Council," as the accounts of the Universities are generally audited by the Examiner, Local Fund Accounts who have a number of Organisations under their audit jurisdiction including the Universities and are taking up the audit of the accounts of the Universities as per their audit programme. If the grants are not released for want of utilisation certificates, the development programme would receive a set back. The Council, with the approval of the Governing Body, has therefore decided to enhance the time limit for submission of utilisation certificates from 2 years to 3 years, provided there are genuine grounds for the delay.

(2) In one station (Kalyani) the faculty of Agriculture was separated from the University and a new University (B.C. Roy Krishi Vishwa Vidyalaya) was formed to serve as a separate Agricultural University for West Bengal. A sum of Rs. 39 lakhs is outstanding against the erstwhile faculty of Agriculture in Kalyani. Due to the administrative changes, the University has not been able to make the accounts available to the auditors.

(3) In Universities where resident audit staff is functioning, the accounts are audited well in time and utilisation certificates are received within the stipulated time. However, in the cases of the Universities where there is no

resident audit staff, delay is experienced in having the accounts audited by the statutory auditors, resulting in consequential delays in the submission of the utilisation certificates.

(4) In certain cases there is delay in submission of utilisation certificates on account of the late appointment of auditors.

(5) So far as the developmental grants to the Universities are concerned, some Universities entrust the construction work of buildings etc. to PWD and these accounts have to be audited by the A.Gs. concerned. On account of the various audit processes, involved in admitting the expenditure, the Universities are not in a position to get their final audit certificates submitted to the Council in time.

The actual amount of the outstanding utilisation certificates pertaining to the grants released upto 1970-71 is Rs. 1.07 crores at present. As a follow up action to the letters addressed by President, ICAR to Chief Ministers of States, it is proposed to depute an inspection team from the Headquarters to visit the grantee institutions to obtain the certificates through personal efforts."

5.5. The Committee desired to know the action taken since 1974 for stepping up the submission by the Universities of the outstanding utilisation certificates and the action taken against the Universities in case of persistent default. In reply, the Ministry have stated:

"Grants to Universities are released thrice in a year, the first instalment to cover the grant for two months, the second one for the next four months and the last instalment for the 2nd half of the year. At every stage when the funds are released for a scheme, the position of pending utilisation certificates due from the Universities, in respect of the particular scheme is reviewed and the grantee advised to expedite the submission of the pending utilisation certificates for the previous years. In addition, a review of the outstanding utilisation certificates is undertaken every year in respect of the schemes in operation as also completed schemes and the grantee Universities are addressed demi-officially requesting them to expedite the submission of the pending utilisation certificates.

Approximately 3000 letters were addressed to the Universities for both the years 1974-75 and 1975-76. A specimen of the general letter which is addressed to the Universities at the time of release of funds wherein Universities are requested to submit the pending audit certificates is also enclosed (not printed). Besides pursuing through the correspondence, special efforts have been made by the Council since 1974 to obtain the pending utilisation certificates from the Universities by deputing Inspection Teams from the Headquarters through personal efforts. As a result of these efforts, the pace of clearance of the outstanding Utilisation Certificates has improved.

Recently, after thorough review of all the cases where utilisation certificates are pending in respect of grants released upto 31-3-73, the Chief Ministers of States have been demi-officially addressed by the President of I.C.A.R.

In the case of grantees from whom utilisation certificates were not received within a period of two years after the end of the financial year during which the grants had been made, further grants in respect of the schemes were stopped as per the provisions of the "Schedule of terms and conditions governing the grant in aid from the Council."

5.6. The Committee asked the number of cases where grants were stopped for non-submission of utilisation certificates. The Ministry have stated:

"In accordance with the schedule of terms and conditions governing the grant in aid from the Council, the Council has been stopping grants in cases where the audit certificates have not been received within a period of two years after the end of the financial year during which the grant has been made. The number of cases where further grants were stopped for non-submission of utilisation certificates are 33 in 1974-75 and 40 in 1975-76."

5.7. The Committee in paragraph 5.19 of their 4th Report (5th Lok Sabha) had adversely commented upon the large amount of money outstanding for want of utilisation certificates in respect of grants paid by the Indian Council of Agricultural Research. In their reply, the Ministry of Agriculture had intimated the Committee on 23 February, 1972 that the Council would be able to clear all

cases of outstanding utilisation certificates substantially and also prevent accumulation of outstandings in future. The Committee regret to note that no substantial improvement has been made in this regard and out of the grants paid upto 31-3-1976, as on 31 December 1978, utilisation certificates were outstanding in respect of grants aggregating Rs. 635.45 lakhs.

5.8. The Ministry had stated that in the case of grantees from whom utilisation certificates were not received within a period of 2 years, further grants were stopped. Since the outstandings continued to be large, the Committee would like Government to examine the reasons therefor with particular reference to their age-wise details, and find out ways and means to tackle the problem. The Committee hope that as a result of vigorous efforts to liquidate, or atleast minimise, the problem, Government would be able to report to the Committee in their 'action taken' note substantial progress in this direction.

CHAPTER VI

LOSSES AND DEFALCATIONS

Audit Paragraph

6.1. Certain cases of losses and defalcations of cash in certain institutes and units of the Council, involving an amount of Rs. 1,10,126 are noted below:

Sl. No.	Name of Institute	Year	Amount (Rs.)	Brief Description
1	Indian Agricultural Research Institute, N. Delhi			
	(i) Soil Correlator, Calcutta	1973-74 1974-75	14,286	The cashier misappropriated Rs. 3,390 on 24th January 1974 and 13th February 1974 by showing fictitious payments to suppliers. On 31st May, 1974, the same cashier again misappropriated Rs. 10,896 from the cash chest as he was allowed to retain both these of the chest. The matter is stated to be under investigation (October, 1974).
	(ii) Genetics Division, New Delhi.	1972-73 1973-74	9,070	The cashier with his assistant embezzled Rs. 9,070 between June 1972 to August 1973 by drawing fraudulent travelling allowance bills of staff. Internal Audit which took up detailed audit in October 1974 is yet (October 1975) to arrive at the final amount misappropriated.
	(iii) Post-graduate School, Pusa	1974-75	30,000	Rs. 30,000 were reported to have been stolen from the money bag of the cashier of the Post-graduate School on the 24th September 1974 at the counter of State Bank of India, New Delhi. The report was lodged with the Police (September, 1974).
2	National Dairy Research Institute, Karnal.	1968-69 1969-70	28,710	Milk products were sold on forged coupons during December 1968 to August 1969 resulting in loss of

1	2	3	4	5
				revenue of Rs. 28,710. Two officials were placed under suspension in September, 1969. The matter is stated to be under departmental investigation (September,1975)
		1970-71 1971-72 1972-73	20,100	Cash advances agregating Rs. 43,740 for purchases release of articles received at Railway station and Truck Stand, were allowed to an official who submitted vouchers for Rs. 23,640 only. Some of the vouchers submitted did not pertain to the advances paid to him. The official was suspended and the case which was reported to police in March 1973, is stated to be under their investigation (September 1975).
3	National Dairy Research Institute, Bangalore (SRS)	1974-75	1,377	Rs. 1,377 were misappropriated, by the cashier on 7th June 1974 by making fictitious payment entries in the cash book and by not accounting for the sale proceeds of milk. The cashier is absconding from that day. The result of investigation of detailed enquiry in the case ordered in July 1974 is awaited (August, 1974).
4	Central Sheep and Wool Research Institute, Avikanagar.	1971-72	9,383	The cashier misappropriated Rs. 9,383 during June 1971 to November 1971 by showing excess payments and fictitious remittance in the cash book. The cashier is reported (September 1975) to have been dismissed from service after conviction by the Court. Rs. 1,165 were recovered from him. The balance amount of Rs. 8,218 could not be recovered against the guaranteed bond as the Life Insurance Corporation of India disowned the liability on the plea that loss had occurred due to lack of supervision. The loss has not been written off so far (August, 1975).

[Paragraph 3 of the Audit Report on the accounts of the Indian Council of Agricultural Research for the year 1973-74].

6.2. The Committee enquired whether the cases of defalcations had been examined with a view to fix responsibility and to take remedial action to avoid recurrence of such cases. The Secretary of the Ministry stated, during evidence:

> "We have gone into this matter in a great detail. A sub-Committee was appointed to go into this. Many of the cases are police cases which have been handed over to the police. Some are vigilance cases. There are cases—for example—cashier went with a leather bag which somebody cut according to the police and took away money. In all these cases steps have been taken to see that that particular thing does not recur."

6.3. At the instance of the Committee, the Ministry of Agriculture and Irrigation have furnished the following note indicating the latest position in respect of cases of losses and defalcations of cash in the institutes mentioned in the audit para:

"A. **Indian Agricultural Research Institute, New Delhi**

(i) *Soil Correlator, Calcutta*

The Cashier against whom a criminal case was filed by the Central Bureau of Investigation was convicted on 15th February, 1978 by the Fourth Additional Special Court, Calcutta. He was sentenced to rigorous imprisonment for two years and to pay a fine of Rs. 15,000/- or in default to undergo rigorous imprisonment for a further period of two years.

The Cashier has filed an appeal before the High Court, Calcutta against the order of conviction which has been admitted and the matter is now pending before the High Court. The High Court has stayed the operation of the punishment. In view of this, the official continues to remain under suspension. Since the matter is *sub-judice*, no departmental action is possible.

(ii) *Genetics Division, New Delhi*

(1) The case against the officials involved in this defalcation case was referred to Central Bureau of Investigation for detailed investigations on 3rd July, 1974. The Central Bureau of Investigations intimated on 15th March, 1975 after conducting preliminary investigations that in view of the heavy work load with them they were not in a position to continue the investigations. On the advice of

the Central Bureau of Investigation, the matter was reported to the Police for investigation on 15-5-1975. After investigation the Police have filed a case in the Court where the hearings are in progress. The matter is also being pursued with the Police.

(2) The Internal Audit has completed the audit and no further misappropriation was detected.

(3) A Senior Administrative Officer of the Institute conducted detailed preliminary investigation with a view to fixing responsibility on the officers/staff concerned for taking appropriate disciplinary action against them. However, it has not been considered desirable to initiate disciplinary action against the officers and staff since the case is *sub-judice*.

(iii) *Post Graduate School, Pusa*

Departmental proceedings against the Cashier and the Drawing and Disbursing Officer for imposition of a major penalty have been initiated. The enquiry Officer has completed the proceedings and his findings are awaited.

B. **National Dairy Research Institute, Karnal**

(a) *Sale of milk production forged coupons*

On the basis of the departmental enquiry, disciplinary proceedings were instituted against the two officials involved in the case and both of them have been dismissed from service with effect from 21st November, 1978 and 19th December, 1978 respectively.

(b) *Unaccounted for cash advances aggregating Rs.* 43,740

The case against the official (an U.D.C.) is still pending in the Court of Law. Necessary instructions have been issued to all the institutes that (i) no contingent advance should be sanctioned to an employee below the rank of Section Officer. (ii) not more than two advances should be allowed to remain unadjusted at any point of time and (iii) adjustment accounts for such advances should be rendered within one month.

C. **National Dairy Research Institute, Bangalore**

The Cashier had initially absconded but was apprehended by the Police. The case against him was registered and is still pending in the Court of Law.

D. **Central Sheep and Wool Research Institute, Avikanagar**

A departmental enquiry was conducted and on the basis of the recommendations made by the Enquiry Committee recordable warning were issued to the officials concerned which have also been incorporated in their Confidential Reports.

The loss has since been written off."

6.4. The Audit paragraph has listed certain cases of losses and defalcations of cash in certain institutes and units of the Council involving Rs. 1,10,126 during the years 1968-69 to 1974-75. During evidence, the Committee were informed that a Sub-Committee was appointed to go into details of these cases and steps had been taken to check the recurrences of such cases in future. The Committee hope that the Council and its Institutes would be more vigilant and would take such preventive measures as may be necessary. As regards the pending cases of losses and defalcations of cash pointed out in Audit paragraph as well as those that may not have come to the notice of Audit, in test check the Committee have no doubt that the Council and the institutes concerned would process them speedily and make every effort to bring the cases against the delinquent officials to their logical conclusion without undue delay.

6.5. Incidentally, the Committee note that in a case relating to a cashier of the Central Sheep and Wool Research Institute, Avikanagar, the Ministry had informed Audit in September, 1975 that the cashier had been dismissed from service after conviction by Court. In the details of the case furnished to the Committee, however, it is stated that the officials concerned have been issued a "recordable warning". This should be reconciled.

CHAPTER VII

JOURNALS

Audit Paragraph

7.1. In para 4.26 of their 4th Report (5th Lok Sabha) the Public Accounts Committee had observed that two of the five journals published by the Council were being sold below the cost price. The Committee suggested that steps should be taken to make all journals self-supporting by reducing the cost of production or increasing the sale price. The Council, however, stated that by taking all the journals together, there was surplus of Rs. 91,238 during 1969-70. The proforma accounts of journals which are prepared by the Council to determine the profit|loss on each journal during a year, for the years 1970-71 to 1972-73 and which do not take into account the overhead charges on account of cost of establishment and distribution charges, depict the financial position of each journal as under:

Name of the journal	Cost per copy after taking the advertisement revenue into account (Rupees)			Sale price per copy (Rupees)	Profit (+) Loss (—) (Rupees)		
	1970-71	1971-72	1972-73		1970-71	1971-72	1972-73
Indian Farming .	0·63	0·89	1·14	1·00 (+)	45,026 (+)	14,321 (—)	3,460
Kheti . .	0·46	0·84	0·79	0·60 (+)	8,617 (—)	29,379 (—)	24,641
Indian Horticulture . .	1·12	1·14	1·28	1·25 (—)	3,859 (+)	921 (—)	4,583
Indian Journal of Agricultural Sciences .	3·72	4·30	4·72	4·00 (—)	11,750 (—)	15,619 (—)	22,880
Indian Journal of Animal Sciences .	4·48	5·81	5·78	4·00 (—)	13,529 (—)	24,533 (—)	34,527
				Total	(+) 24,505 (—)	54,289 (—)	90,091

Proforma accounts for the year 1973-74 have not been prepared (September, 1975).

In the Proforma accounts for 1972-73 credit, sales amounting to Rs. 58,692 and Rs. 16,164 were accounted for twice in respect of

'Indian Farming' and 'Kheti' respectively. Besides provision of Rs. 140 for bad debts was made on cash sales also. The deficit, therefore, works out to Rs. 61,565 and Rs. 40,503 in respect of these journals as against Rs. 3,460 and Rs. 24,641 shown in the accounts. The overall deficit in respect of all the journals was, therefore, Rs. 1,64,058 in 1972-73 as against Rs. 90,091 shown above.

The Council stated (September, 1975) that the price structure of its journals was being reviewed in keeping with its objective, the purchasing power of its clientele and its obligation to the nation to disseminate agricultural information as widely as possible for increasing agricultural productivity.

[Paragraph 2 of the Audit Report on the accounts of the Indian Council of Agricultural Research for the year 1973-74].

7.2. The Committee enquired whether the price structure of the journals published by the Council had been reviewed. The Secretary of the Ministry stated, during evidence:

> "We constituted a sub-Committee of the governing body which went into the whole question whether we should earn a profit or at least act on a no-profit, no loss basis. When the ICAR was constituted in 1929, one of the main articles of its charter stated: "To act as a clearing house of knowledge in agriculture and animal sciences." The sub-committee, headed by Mr. D. D. Desai, M.P. suggested that we should economise on printing by reducing the number of pages and also increase the sale price of the journal."

7.3. The witness added:

> "There are two semi-technical journals in English—*Indian Farming* and *Indian Horticulture*: their counterparts in Hindi are *Kheti* and *Phal Phool*. Then we run two research journals—Indian Journal of Agricultural Research and Indian Journal of Animal Sciences. The present position is that on an average the Indian Farming contains 36 pages; 15,000 copies are printed; cost of production is Rs. 1.2 per copy; average advertisement revenue is 60 paise; net cost of production per issue is 60 paise. At the moment we are selling it at Rs. 1/- i.e. a profit of 40 paise. In the case of Kheti, cost of production is Rs. 1.2; advertisement 40 paise; net cost 71 paise. We are selling it at Re. 1/-. In the case of Indian Horticulture and Phal Phool, the cost of Production is Rs. 2.5 because some colour plates are also used to illustrate flowers or

fruits; sale price is Rs. 1.25; advertisement revenue is 73 paise; net loss 52 paise. In the research journals, we have a little loss on the Journal of Animal Sciences. On the whole, this year I think we will have some profit. The governing body feels that Kheti and Indian Farming must reach as many people as possible and that if we increase the price, the number of subscribers will go down. We are printing 8,000 copies of Kheti, which is very low, we want it to be at least 100,000. Of course, there are a number of other journals produced by the Department of Agriculture and agricultural universities to cater to specific regions."

7.4. In a written note furnished to the Committee, the Ministry have explained the pricing of the journals thus:

"The pricing structure of journals was reviewed and consequent to this subscription rates of Scientific Journals viz., The Indian Journal of Agricultural Sciences and the Indian Journal of Animal Sciences were revised to Rs. 72,00 from Rs. 48.00 per annum with effect from January, 1978. Similarly subscription rate of Kheti was increased to Rs. 11.00 from Rs. 7.00 *w.e.f.* April 1978. However, subscription rates for Indian Farming and Indian Horticulture have not been changed.

The upward revision of the subscription rates of three journals has helped to reduce the overall deficit but its impact on individual subscribers has not been encouraging. Whereas the number of institutional subscribers has remained more or less constant, there has been a marginal fall in case of individual membership. As the revised rates have been made applicable only a year back, it is too early to judge their full impact."

7.5. The Committee asked whether the Council had any scheme for wide circulation of their publications. The witness stated, during evidence:

"We try to make, these numbers 'Kheti' and 'Indian Farming' as informative and useful as possible. We also give free permission to newspapers and other journals etc. to reproduce the articles. Some also translate them or issue them as news releases and so on. The Ministry of Agriculture have their own journal also, called 'Intensive Agriculture' (there is also a Hindi counter-part) based upon visits to research centres and so on. But, by and large, where actual advice to the farmer is concerned, and

when we want to give local extension advice, it has to be vetted by the Directorate of Extension of the State."

7.6. In reply to a question, the Secretary of the Ministry said:

"In conjunction with the Regional Committee meetings of the Indian Council of Agricultural Research we are calling the farm journalists of the region together at what we call a 'farm journalists workshop'. There are two journals which have the widest circulation in our country, *viz.*, 'Shethkari' in Marathi and another in Malayalam. Most of these journalists who are interested in agriculture are local language people. Last year, at the Indian Agricultural Research Institution, we had a national workshop of farm journalists."

7.7. The Committee asked whether any study of the demand vis-a-vis the supply position of the journals had been conducted by the Council, in reply, the Ministry have stated:

"No specific studies have so far been undertaken to determine the demand and supply of the journals."

7.8. Asked to state the number of journal now published by the Indian Council of Agricultural Research and the number of journals sold below cost price, the Ministry have stated:

"The Council is now publishing six journals. Of these, three journals *viz.*, Indian Horticulture, The Indian Journal of Animal Sciences and Phal Phool are being sold below cost of production. The other three journals *viz.*, Indian Farming, Kheti and the Indian Journal of Agricultural Sciences are being sold above cost of production and sale price of each journal is given below:

Name of Journal	Average basic cost per copy	Average advertisement revenue per copy	Net cost	Sale price	Surplus/ Deficit
	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.
1. Indian Farming	1·20	0·60	0·60	1·00	+0·40
2. Kheti	1·20	0·49	0·71	1·00	+0·29
3. The Indian Journal of Agricultural Sciences	5·00	0·26	4·74	6·00	+1·26
4. The Indian Journal of Animal Sciences	7·60	0·21	7·39	6·00	—1·39
5. Indian Horticulture	2·50	0·73	1·77	1·25	—0·52
*6. Phal Phool	2·70	...	2·70	1·25	—1·45

**Phal Phool, the new Hindi quarterly has been introduced from April, 78 only. It inaugural issue has just been published. Gradually it will start getting advertisement and its deficit will be reduced considerably."

7.9. As regards preparation of Proforma Accounts for the journals, the Ministry of Agriculture and Irrigation have stated:

"Proforma Accounts for the journals have not been prepared since 1973-74 as the printing of scientific journals *viz.* "The Indian Journal of Agricultural Sciences" and "The Indian Journal of Animal Sciences" was in arrears. The Proforma Accounts are prepared for the journals as a whole and in the absence of these two journals it was not possible to compile the accounts. The printing of the journals has since been up-dated.

One of the main functions of the Council is "to act as a clearing house of information not only in regard to research but also in regard to agricultural and veterinary matter generally". Profit and loss should not therefore form the basis of ICAR's publications activity. The view that the commercial concept may be replaced by a national obligation on the part of the Council to disseminate information on non-commercial basis has been reiterated by Governing Body in their meetings of August 14, 1973 and March 30, 1977.

In view of these recommendations it has been proposed to discontinue preparation of the Proforma Accounts and a note to this effect has been sent to Ministry of Finance before the same is placed before the Governing Body."

7.10. The Committee desired to know the total deficit on accounts of journals published by the Council. The Ministry have replied:

"Latest position of deficit for the five journals as a whole for the year 1977-78 is as under:—

Cost of production	Sales Revenue	Advertisement Revenue	Deficit
Rs. 5,24,540	Rs. 3,09,734	Rs. 1,71,364	Rs. 43,442

The Council is distributing copies of the journals to various scientific institutions in India and abroad on exchange basis i.e. the Council's journals are supplied and in turn it received periodicals brought out by these scientific institutions. The Council library receives about three hundred

periodicals (91 in English and 185 in other languages) on exchange basis. But for this exchange programme the Council would have had to subscribe to these periodicals. If the cost of these periodicals received in exchange is taken into account, it will more than off-set the loss."

7.11. The Committee note that the pricing structure of the journals published by the Indian Council of Agricultural Research was reviewed by the Council and as a consequence of the review the subscription rates of three journals namely 'The Indian Journal of Agricultural Sciences', 'The Indian Journal of Animal Sciences' and 'Kheti' were increased. They also note that the upward revision of the subscription rates of these journals has helped to reduce the overall deficit but its impact on individual subscribers has not been encouraging. The Committee, however, consider that with improvement in the get-up and general standard, the publications of the Indian Council of Agricultural Research would have more popular appeal. If adequate publicity is also given to these journals, there is no reason why their circulation does not go up, enabling them to break even.

7.12. The Committee recommend that in addition to these journals, the Indian Council of Agricultural Research should encourage the production of popular literature in Hindi and other regional languages on the results of researches on matters in which the farmers are likely to be interested. This should be made available to the farmers on nominal payment through the agency of agricultural extension workers.

NEW DELHI;
April 25, 1979.
Vaisakha 5, 1901 (*S*).

P. V. NARASIMHA RAO,
Chairman,
Public Accounts Committee.

APPENDIX I

(*Vide* paragraph 2·10 of the Report)

List of Krishi Vigyan Kendras

S. No.	State	Institution to which KVK/TTC is attached	KVK/TTC	Location
1	2	3	4	5
1	Andhra Pradesh	All India Coordinated Research Project on Dryland Agriculture, Amberpet, Hyderabad.	T.T.C. & K.V. K. in Dry Farming	Hayatnagar
2	Bihar	Ramakrishna Mission, Morabadi, Ranchi.	K.V.K.	Morabadi (Ranchi).
3	Gujarat	(a) Gujarat Agricultural University, Ahmedabad.	K.V.K.	Deesa
		(b) Gujarat Vidyapeeth, Ahmedabad.	K.V.K.	Randheja Village. (Distt. Gandhinagar).
4	Haryana]	National Diary Research Institute, Karnal.	T.T.C. & K.V. K. in Diarying.	Karnal
5	Karnataka	(a) University of Agricultural Sciences, Hebbal, Bangalore.	K.V.K.	Hanumanmatti
		(b) Indian Institute of Horticultural Research, Bangalore.	T.T.C. & K.V. K. in Horticulture.	Chettali (Coorg)
6	Kerala	Central Marine Fisheries Res. Instt., Narakkal, Ernakulam.	K.V.K.	Narakkal
7	Maharashtra]	Gokhale Education Society (Agril. Instt.), Kosbad-Hill, Distt. Thane.	K.V.K.	Kosbad-Hill
8	Madhya Pradesh	(a) Kasturba Gandhi National Memorial Trust, Indore.	T.T.C. & K.V. K. for women.	Indore
		(b) Central Institute of Agril. Engg., Nabibagh, Bhopal.	T.T.C. & K.V. K. in Agrl. Engg.	Bhopal
9	Nagaland	ICAR Res. Complex, Shillong (Meghalaya).	T.T.C. & K.V. K. in Hill Agriculture and Womens' training.	Jharnapani (Kohima).

1	2	3	4	5
10	Orissa . . .	Central Inland Fisheries Res. Instt., Barrackpore (W.B.)	T.T.C. & K.V.K. in Inland Fisheries.	Dhauli (Bhubaneshwar)
11	Rajasthan . .	University of Udaipur, Udaipur (Rajasthan)	K.V.K.	Fatehpur Sekhawati (Sikar)
12	Tamil Nadu . .	Tamil Nadu Agricultural University, Coimbatore	K.V.K.	Navalur-Kuttapatti, Tiruchirapalli.
13	Uttar Pradesh .	Kamla Nehru Institute of Science and Technology Sultanpur (U.P.)	K.V.K.	Sultanpur.
14	West Bengal . .	Sewa Bharati, Kangari, Midnapore.	K.V.K.	Kapgari, Midnapore.
15	Pondicherry . Union Territory .	Tamil Nadu Agricultural University, Coimbatore (T.N).	K.V.K.	Pondicherry
16	Mizoram . .	Directorate of Agriculture, Govt. of Mizoram, Aizwal.	K.V.K.	Kolasib

APPENDIX II

Conclusions/Recommendations

Sl. No.	Para No. of the Report	Ministry/ Deptt. concerned	Conclusions/Recommendations
1	2	3	4
1.	2.21	Ministry of Agriculture & Irrigation (Deptt. of Agricultural Research and Education)	The Committee find that the scientific panels appointed by the Indian Council of Agricultural Research are carrying a heavy burden inasmuch as they scrutinise the proposals for research, progress the schemes in operation and evaluate the results of the projects which are concluded. They, however, note that the meetings of these scientific panels have been very few and far between. The total number of meetings held by 22 scientific panels operating during 1974-75 was 18 while during 1975-76, 17 scientific panels held a total of 29 meetings. The Committee are unable to appreciate as to how it could be possible for the scientific panels to discharge their heavy responsibilities effectively with the few meetings that were held during the year. The Committee fear that in such a situation the

			meetings of the scientific panels could become more or less a formality, throwing the burden of assessment of the merits of the schemes, and their progressing and evaluation largely on lesser functionaries in the Secretariat of the Indian Council of Agricultural Research. The Committee would like the Ministry to pay special attention to this aspect of the functioning of the scientific panels and bring about improvements in their functioning so as to ensure for the scientific panels a more direct and effective role in regard to the research schemes falling within their specialised jurisdiction.
2.	2.22	—do—	The Committee are perturbed to find that amongst the *ad hoc* research schemes for which money was allocated by the Council, there are schemes which were terminated, discontinued or abandoned. The number of such schemes during the period 1973-74 to 1977-78 works out to 197. The discontinuance or abandonment of research schemes year after year indicates that in these cases the schemes were sanctioned without proper assessment of their need and merit and the competence of those who were to work on it. Since a substantial amount of money has already been spent on these schemes which is rendered infructuous, the Committee would like the Council to analyse the causes for discontinuance or abandonment of the schemes and to issue, on the basis of their findings, guidelines to the authorities responsible for sanctioning the research schemes.
3.	2.23	—do—	The Committee note that out of 254 *ad hoc* research schemes in operation during the period 1973-74 to 1977-78, as many as 68 were

1	2	3	4
			in operation for a period of 5 years or more. The Committee would like to know whether the Council had, while taking up schemes, stipulated the time frame for its completion and it had been adhered to in all cases. The Committee would also urge that wherever any scheme gets delayed, the Council should fully satisfy itself as to the validity of the grounds for such delay and whenever any delay is found to be unjustifiable, prompt steps should be taken to rectify the situation. The Committee would also suggest that in cases of all such schemes there should be invariably one or more mid-term appraisals in order to ensure that no scheme is allowed to be unduly prolonged.
4.	2.24	Ministry of Agriculture & Irrigation (Deptts of Agricultural Research and Education)	The Committee need hardly emphasise that all agricultural research is ultimately for the use of the farmers in the field. The research projects undertaken by the ICAR, should either be directly connected with the problems and difficulties at the field level or should pertain to certain closely allied questions which eventually help in solving the problems at the said level. The Committee, however, find from the methodology described for selection of research projects that the subjects for research or study are mooted by the scientists and teachers in the various universities and institutions and these are also approved by bodies wholly composed of

			scientists and teachers. Under this system, there is the danger of at least some part of the research effort getting far removed from the problems faced by the farmers in the field unless the ICAR specially ensures that the effort does pertain to the problems at the field level. In this connection, the Committee suggest that in order to bring research closer to the farmer in the field, some way should be found to associate representatives of the farming community at the time of selection of research projects and also while assessing the results of research.
5	2.25	—do—	The Committee note that there was a substantial variation between the amounts allocated, paid and actually spent during 1974-75 and 1975-76 (a) by the universities for development purposes, (b) on the All-India Coordinated projects; and (c) for the ad hoc research projects. During 1975-76, Rs 5.44 crores were spent by the universities against Rs. 7.38 crores paid to them. In the same year Rs. 4.06 crores were spent on the All India Coordinated projects against Rs. 5.11 crores made available to them and Rs. 62.49 lakhs were spent against the availability of Rs. 1.02 crores for the ad hoc projects. The substantial shortfall in expenditure against the money made available is a clear indication that the allocations of money for research work did not take into account the absorption capacity of the research organisation concerned. The Committee would like the Department to ensure that, firstly, the allocation of money for research purposes takes into account the absorption capacity of the research organisations concerned and secondly there is adequate follow-up to watch the utilisation of the allocation.

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6	3.27	Ministry of Agriculture & Irrigation (Deptt. of Agricultural Research and Education)	The Committee find that the assessment of Estimated Receipts at the Budget and Revised Budget Stages has been, over the years, consistently low and largely unrelated to the actuals of the preceding year. The Committee do not know whether it was deliberately kept low with a view to obtain larger funds. In any case, it indicates faulty estimating of Receipts, the variations ranging from 22.8 per cent to 64.10 per cent. Now that a Committee has been appointed to go into the existing system of budgeting of receipts, receipt accounting and disposal and the pricing policy, the Public Accounts Committee hope that these matters would soon be brought on sound footing. The Committee would like to be informed of the decisions taken by the Government on the recommendations of the Committee appointed by the Indian Council of Agricultural Research.
7	3.28	—do—	The Committee are unhappy to note that the expenditure in excess of the grants received by the ICAR under the P.L. 480 programme. By the end of March 1974, the excess expenditure was to the extent of Rs. 24.06 lakhs which was brought down to Rs. 11.47 lakhs by the end of March 1978. The Committee desire that the ICAR & the Department should take appropriate measures to see that as far as possible, the availability of money from this

source and the corresponding expenditure are as close as possible to each other.

8	3.29	—do—	The Agricultural Produce Cess is being collected under the Agricultural Produce Cess Act, 1940 and the proceeds, less cost of collection, are made over to the ICAR. The money is to be utilised for supporting research schemes of ad hoc character in agriculture, fisheries, animal husbandry etc. As the annual expenditure in the past could not keep pace with the receipts, funds have been accumulating year after year so much so that by the end of March 1978 the balance with the ICAR on this account was Rs. 5.57 crores of which Rs. 2.79 crores were held in cash while Rs. 2.78 crores were invested in Government securities. The Committee find that the ICAR has so long been grossly negligent in the matter of proper utilisation of Cess Funds. The responsibility of the Council is in no way mitigated by the plea advanced before the Committee that the Council supported out of the Cess funds "such schemes as are recommended" and that the hitherto neglected regions like the North-east Himalayan region "do not send schemes for sanction". The very fact that soon after the selection of the subject of ICAR for examination by the P.A.C. and the issue of probing questionnaire on the subject the Council rushed through various stages and finally in February 1979 approved projects proposals to be operated during the next 4 years, amply proves that the Council has not been serious in the past in regard to the utilisation of the Cess Funds. This is highly regrettable.

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9	3.30	Ministry of Agriculture & Irrigation (Deptt. of Agricultural Research and Irrigation)	Whereas on the one hand there was failure on the part of the Council to formulate proposals for utilisation of the Cess Fund to secure the objectives of the Fund, a sizeable part of the accumulated fund was sought to be spent on construction of office building, hostel and staff quarters for the Headquarter staff of the ICAR and to enable such expenditure being made from Cess Fund, the guidelines for expenditure from the Cess Fund were modified. The Committee are averse to an expenditure of Rs. 2.25 crores being made from the Cess Fund for the construction of office buildings, hostel and staff quarters. For example on office buildings, hostel and staff quarters for the Headquarters establishment of the ICAR, the Council should more appropriately have approached the Central Government for a special grant with full justification therefor and the projects should have been taken in hand only after the schemes were vetted and approved by Government. The Committee desire that even now the proposals in regard to the project may be sent to the Government for sanction and a special grant asked for to meet the expenditure thereon. The Cess Fund should be kept for utilisation whilly on schemes for research in accordance with the objective laid down in the Agricultural Produce Cess Act, 1940.
10	3.31	—do—	The Committee note that in accordance with the decision of the Government in March 1965, balances in respect of commodity Committees were taken over by the ICAR. The cash balances taken

over were Rs. 53.78 lakhs during 1966-67 and Rs. 52.04 lakhs in 1967-68 making a total of Rs. 105.82 lakhs. After setting of the liabilities in respect of these Committees, the cash balances by the end of March, 1978 were Rs. 103.52 lakhs. In addition to the cash balances, investments of these Committees in Government securities were also taken over by the ICAR. These amounted to a total of Rs. 130.38 lakhs which have by the end of March, 1978 risen to Rs. 171.58 lakhs plus Rs. 5 lakhs invested in 3 per cent conversion loan 1946—86. The investment of funds in fixed deposit with the State Bank of India is stated to have been done with the approval of the Ministry of Finance. The Ministry have informed the Committee that the balances of these Commodity Committees 'will be' utilised by ICAR "for strengthening research and training programmes in the vital areas of Indian economy" and that "these projects will be finalised by the end of March, 1979". The Committee are unable to appreciate as to why these balances aggregating (as on 31-3-1978) Rs. 2.80 crores were allowed to lie dormant since 1967-68 i.e. for a period of more than 10 years. The Committee are also unable to appreciate the rational behind investing and re-investing these funds in Fixed Deposit when, with adequate planning, the funds could be utilised for fruitful research and educational work in the fields covered by the erstwhile commodity Committees. The Committee consider that it was nothing short of gross negligence on the part of the Council not to have utilised these funds for fruitful purposes for over ten years. They would like the Council to finalise the schemes to be financed out of these funds and have them implemented without further delay.

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11	3.32	Ministry of Agriculture & Irrigation (Deptt. of Agricultural Research and Education.)	The Committee find that the closing balance out of Government grants left unspent with the Indian Council of Agricultural Research at the end of March 1976, March 1977 and March 1978 was as much as Rs. 2.14 crores, Rs. 1.64 crores and Rs. 1.93 crores respectively. It is explained that Indian Council of Agricultural Research is allowed to retain a sum of Rs. 1.5 crores to meet the expenditure on pay and allowances of the officers and staff of the I.C.A.R. and its research institutes for the month of March payable in April next. The unspent balances out of Government grants with the Council have been year after year much in excess of Rs. 1.50 crores. If the Agricultural Produce Cess balances and the erstwhile Commodity Committees' balances are also taken into account, the total holdings with the Council at the end of financial year 1975-76, 1976-77 and 1977-78 were quite substantial being Rs. 4.79 crores, Rs. 5.02 crores and Rs. 5.58 crores respectively. The Committee would like the Ministry to go into this aspect carefully and find ways and means of reducing the closing balances with the Council at the end of the financial year to the minimum.
12	3.33	—do—	The Committee find that the system of a single person being appointed as Director General of the Indian Council of Agricultural Research as well as Secretary of the Administrative Department of Agricultural Research and Education is not conducive to public interest in as much as under such a system the activities of the Council

			and its proposals for sanction of expenditures on various schemes and projects are not likely to receive closer scrutiny at the level of the administrative department. The Committee, therefore, suggest that with a view to enable the Department of Agricultural Research and Education to discharge the usual function of an administrative department, namely, to oversee the functioning of ICAR from a detached angle, Government may examine the desirability of appointing a separate person as Head of this Department.
13	4.0	—do—	The Committee note that of the advances given by the ICAR and its institutes upto 1975-76, an amount of Rs. 488.02 lakhs was pending adjustment as on 31-3-1978. The advances were mainly given to the Central Public Works Department, Directorate General of Supplies and Disposals, Controller of Printing and Stationery, etc. for the services to be rendered by them or for the stores to be procured from them. The adjustment of the advances is pending due to non-receipt of the adjustment accounts from those Government departments. Out of Rs. 488.02 lakhs, a sum of Rs. 398.44 lakhs is pending adjustment in respect of advances paid to the Central Public Works Department. As per rules, the adjustment of an advance to the C.P.W.D. can be made by the Institute concerned only on receipt of expenditure statements from the Executive Engineer concerned through the Accounting Authority who after verifying their correctness will forward them to the Institutes. The Committee have been informed that the works for which amounts were advanced have been completed and taken over. But due to non-receipt of these statements in the Institutes, the amounts are still

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			kept outstanding in their books. Since some of the advances awaiting adjustment were paid years ago, the Committee feel that drastic action is required to settle and adjust them in close cooperation with the Ministry of Works and Housing and other Ministries and Departments concerned and the concerned Accounting Authority. They recommend that the outstanding advances should be settled without further loss of time.
14	4.10	Ministry of Agriculture & Irrigation (Deptt. of Agricultnral Research and Education	The Committee note that out of Rs. 30.25 lakhs pending recovery on 31 March, 1976 from various parties in respect of publications, farm products, animal and biological products sold on credit by the Council and its Institutes, Rs. 19.76 lakhs have been realised leaving a balance of Rs. 10.49 lakhs pending realisation. The Committee would like to draw attention of the Ministry to their earlier observation made in paragraph 5.39 of their 4th Report (5th Lok Sabha) (presented in July, 1971) wherein it was emphasised that vigorous efforts should be made to recover the outstanding amount and dues should not be allowed to accumulate in future. In their Action Taken Note, the Ministry had stated on 23 February, 1972 that care would be taken to see that dues were not allowed to accumulate disproportionately. The Committee regret that in spite of the above assurance of the Ministry, care was not taken to recover the dues promptly and these were allowed to pile up from year to year. The Committee

			would like energetic action to be taken to recover the outstanding dues.
15	4.11	—do—	The Committee note that it has been decided by the Governing Body of the Indian Council of Agricultural Research that in future the sale of biological and other farm products to Government and private agencies and others would be strictly on cash basis except in those cases where Government departments are not in a position to make cash payments. The Committee hope that hereafter advance cash payment for sales will be generally insisted upon and the exceptions to this procedure would be rare.
16	5.7	—do—	The Committee in paragraph 5.19 of their 4th Report (5th Lok Sabha) had adversely commented upon the large amount of money outstanding for want of utilisation certificates in respect of grants paid by the Indian Council of Agricultural Research. In their reply, the Ministry of Agriculture had intimated the Committee on 23 February, 1972 that the Council would be able to clear all cases of outstanding utilisation certificates substantially and also prevent accumulation of outstandings in future. The Committee regret to note that no substantial improvement has been made in this regard and out of the grants paid upto 31.3.1976, as on 31 December 1978, utilisation certificates were outstanding in respect of grants aggregating Rs. 635.45 lakhs.
17	5.8	—do—	The Ministry had stated that in the case of grantees from whom utilisation certificates were not received within a period 2 years,

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			further grants were stopped. Since the outstandings continued to be large, the Committee would like Government to examine the reasons therefor with particular reference to their age-wise details and find out ways and means to tackle the problem. The Committee hope that as a result of vigorus efforts to liquidate or at least minimise, the problem, Government would be able to report to the Committee in their 'action taken' note substantial progress in this direction.
13	6.4	Ministry of Agriculture & Irrigation (Deptt. of Agricultural Research & Education.)	The Audit paragraph has listed certain cases of losses and defalcations of cash in certain institutes and units of the Council involving Rs. 1,10,126 during the years 1968-69 to 1974-75. During evidence, the Committee were informed that a Sub-Committee was appointed to go into details of these cases and steps had been taken to check the recurrences of such cases in furture. The Committee hope that the Council and its Institutes would be more vigilant and would take such preventive measures as may be necessary. As regards the pending cases of losses and defalcations of cash pointed out in Audit paragraph as well as those that may not have come to the notice of Audit, in test check the Committee have no doubt that the Council and the institutes concerned would process them speedi-

			ly and make every effort to bring the cases against the delinquent officials to their logical conclusion without undue delay.
19	6.5	—do—	Incidentally, the Committee note in a case relating to a cashier of the Central Sheep and Wool Research Institute, Avikanagar, the Ministry had informed Audit in September, 1975 that the cashier had been dismissed from service after conviction by Court. In the details of the case furnished to the Committee, however, it is stated that the officials concerned have been issued a "recordable warning". This should be reconciled.
20	7.11	—do—	The Committee note that the pricing structure of the journals published by the Indian Council of Agricultural Research was reviewed by the Council and as a consequence of the review the subscription rates of three journals namely, 'The Indian Journal of Agricultural Sciences', 'The Indian Journal of Animal Sciences', and 'Kheti' were increased. They also note that the upward revision of the subscription rates of these journals has helped to reduce the overall deficit but its impact on individual subscribers has not been encouraging. The Committee, however, consider that with improvement in the get-up and general standard, the publications of the Indian Council of Agricultural Research would have more popular appeal. If adequate publicity is also given to these journals, there is no reason why their circulation does not go up, enabling them to break even.

1	2	3	4
21	7.12	Ministry of Agriculture & Irrigation (Deptt. of Agricultural Research & Education.)	The Committee recommend that in addition to these journals, the Indian Council of Agricultural Research should encourage the production of popular literature in Hindi and other regional languages on the results of researches on matters in which the farmers are likely to be interested. This should be made available to the farmers on nominal payment through the agency of agricultural extension workers.